

AGENDA

UTAH COUNTIES INDEMNITY POOL BOARD OF TRUSTEES MEETING

Thursday, December 15, 2016, 12:30 p.m.

UAC/UCIP Building, 5397 S Vine, Murray, Utah

12:30	Open Meeting, Pledge of Allegiance	Bruce Adams
	Recess for Public Hearing on the UCIP 2017 Budget	Bruce Adams
	Reconvene	

ITEM	ACTION	
1	Review/Excuse Board Members Absent	Bruce Adams
2	Ratify 2017 Contributions	Johnnie Miller
3	Review/Approve UCIP 2017 Budget	Karla Johnson
4	Review/Approve October 13, 2016 Meeting Minutes	Karla Johnson
5	Ratification/Approval of Payments and Credit Card Transactions	Karla Johnson
6	Review/Ratify Net Asset Management Policy	Johnnie Miller
7	Review/Ratify Dividend Policy	Johnnie Miller
8	Review/Approve Personnel Policy	Johnnie Miller
9	Review/Approve Claims Audit	Johnnie Miller
10	Review/Approve Workers Compensation Fund 2017 Program	Sonya White
11	Review/Approve 2016 Amended Budget	Sonya White
12	Review/Approve Audit Services Provider	Johnnie Miller
13	Review/Approve LocalGovU Renewal	Johnnie Miller
14	Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual	Bruce Adams
15	Action on Personnel Matters	Brad Dee
16	Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation	Bruce Adams
17	Action on Litigation Matters	Dale Eyre
18	Set Date, Time and Place of Regular Meetings for 2017	Sonya White
19	Elect 2017 Officers of the Board/Board Appointments	Bruce Adams
<hr/>		
	INFORMATION	
20	Chief Executive Officer's Report	Johnnie Miller
21	Other Business	Bruce Adams

Electronic Meeting Notice: 888-447-7153, Participant Passcode: 2261240 Anchor Location: 5397 S Vine, Murray, UT

5397 S Vine Street, Murray, UT 84107-6757
(801)565-8500 or ucip.utah.gov

UTAH COUNTIES INDEMNITY POOL

Contributions

January 1, 2017

Date	Name	Memo/Description	Amount
01/01/2017	BEA	Member Contribution	148,900.00
01/01/2017	BERDA	Member Contribution	31,274.00
01/01/2017	BOX	Member Contribution	304,092.00
01/01/2017	Central	Member Contribution	31,313.00
01/01/2017	CID	Member Contribution	1,980.00
01/01/2017	DAG	Member Contribution	68,256.00
01/01/2017	DAV	Member Contribution	744,768.00
01/01/2017	DUC	Member Contribution	231,217.00
01/01/2017	EME	Member Contribution	205,891.00
01/01/2017	FCAOG	Member Contribution	35,730.00
01/01/2017	GAR	Member Contribution	157,565.00
01/01/2017	IRO	Member Contribution	254,855.00
01/01/2017	JUA	Member Contribution	154,571.00
01/01/2017	KAN	Member Contribution	190,723.00
01/01/2017	KRT	Member Contribution	1,397.00
01/01/2017	MIL	Member Contribution	223,820.00
01/01/2017	MOR	Member Contribution	83,975.00
01/01/2017	PIU	Member Contribution	28,240.00
01/01/2017	RIC	Member Contribution	52,857.00
01/01/2017	SAJ	Member Contribution	239,016.00
01/01/2017	SAJT	Member Contribution	1,228.00
01/01/2017	SAN	Member Contribution	129,556.00
01/01/2017	SCIC	Member Contribution	10,838.00
01/01/2017	SEV	Member Contribution	209,142.00
01/01/2017	Southeast	Member Contribution	24,906.00
01/01/2017	Southwest	Member Contribution	53,272.00
01/01/2017	TriCounty	Member Contribution	25,836.00
01/01/2017	UCIP	Member Contribution	7,949.00
01/01/2017	UIN	Member Contribution	412,084.00
01/01/2017	WAS	Member Contribution	469,548.00
01/01/2017	Wasatch	Member Contribution	16,982.00
01/01/2017	WAT	Member Contribution	269,233.00
01/01/2017	WAY	Member Contribution	69,652.00
01/01/2017	WCIA	Member Contribution	64,011.00
01/01/2017	WCPR	Member Contribution	25,619.00
01/01/2017	WCSSA	Member Contribution	7,392.00
01/01/2017	WCSW	Member Contribution	25,120.00
01/01/2017	WEB	Member Contribution	974,587.00
01/01/2017	Weber-Morgan	Member Contribution	64,243.00
01/01/2017	WHS	Member Contribution	48,219.00
TOTAL			<u>\$ 6,099,857.00</u>

Entity: Utah Counties Indemnity Pool

Body: Board of Trustees

Subject: Administrative Services

Notice Title: Board of Trustees Meeting

Meeting Location: 5397 S Vine

Murray 84107-6757

Event Date & Time: December 15, 2016
12:30 PM - 3:30 PM

Description/Agenda: Open Meeting, Pledge of Allegiance
Recess for Public Hearing on the UCIP 2017 Budget
Reconvene
Review/Excuse Board Members Absent
Review/Approve UCIP 2017 Budget
Review/Approve October 13, 2016 Meeting Minutes
Ratification/Approval of Payments and Credit Card Transactions
Review/Ratify Net Asset Management Policy
Review/Ratify Dividend Policy
Review/Approve Employee Policy/Manual
Review/Approve Claims Audit
Review/Approve Workers Compensation Fund 2017 Program
Review/Approve 2016 Amended Budget
Review/Approve Audit Services Provider
Review/Approve LocalGovU Renewal
Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual
Action on Personnel Matters
Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation
Action on Litigation Matters
Set Date, Time and Place of Regular Meetings for 2017
Elect 2017 Officers of the Board
Chief Executive Officer's Report
Other Business

Notice of Special Accommodations: In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Sonya White at the Utah Counties Indemnity Pool, 5397 S Vine, Murray, UT 84107, or call 800-339-4070, at least three days prior to the meeting.

Notice of Electronic or Any Member of the Utah Counties Indemnity Pool Board of

telephone participation: Trustees may participate telephonically.

Other information:

Contact Information: Sonya White
801-565-8500
sonya@ucip.utah.gov

Posted on: December 13, 2016 08:33 AM

Last edited on: December 13, 2016 08:33 AM

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Notice Title: Board of Trustees Meeting

Government Type: Special Districts

Entity: Utah Counties Indemnity Pool

Body Name: Board of Trustees

Notice Subject: Administrative Services

Notice Type: Meeting

Street Address: 5397 S Vine

Street Address continued:

City: Murray

Zip: 84107-6757

Start Date: 12/15/16 12:30 PM

End Date: 12/15/16 3:30 PM

Description / Agenda: Open Meeting, Pledge of Allegiance

Recess for Public Hearing on the UCIP 2017 Budget

Reconvene

Review/Excuse Board Members Absent

Ratify 2017 Contributions

Review/Approve UCIP 2017 Budget

Review/Approve October 13, 2016 Meeting Minutes

Ratification/Approval of Payments and Credit Card Transactions

Review/Ratify Net Asset Management Policy

Review/Ratify Dividend Policy

Review/Approve Employee Policy/Manual

Review/Approve Claims Audit

Review/Approve Workers Compensation Fund 2017 Program

Review/Approve 2016 Amended Budget

Review/Approve Audit Services Provider

Review/Approve LocalGovU Renewal

Set Date and Time for Closed Meeting to Discuss Character, Professional

Competence, Physical/Mental Health of an Individual

Action on Personnel Matters

Set Date and Time for Closed Meeting to Discuss Pending or Reasonably

Imminent Litigation

Action on Litigation Matters

Set Date, Time and Place of Regular Meetings for 2017

Elect 2017 Officers of the Board

Chief Executive Officer's Report

Other Business

ADA: In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Sonya White at the Utah Counties Indemnity Pool, 5397 S Vine, Murray, UT 84107, or call 800-339-4070, at least three days prior to the meeting.

Electronic Participation: Any Member of the Utah Counties Indemnity Pool Board of Trustees may participate telephonically.

Other:

Emergency Notice: No

Send copy of notice to:

Audio File Location:

Attachments: There are attachments associated with this notice.

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Deseret News



The Salt Lake Tribune

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CUSTOMER NAME AND ADDRESS

UTAH COUNTIES INDEMNITY POOL,

5397 S VINE ST

SALT LAKE CITY UT 84107

ACCOUNT NUMBER

9001366989

DATE

12/8/2016

ACCOUNT NAME

UTAH COUNTIES INDEMNITY POOL,

TELEPHONE

8015658500

ORDER # / INVOICE NUMBER

0001126549 /

PUBLICATION SCHEDULE

START 12/08/2016 END 12/08/2016

CUSTOMER REFERENCE NUMBER

PH - 12/15/16

CAPTION

PUBLIC NOTICE The Utah Counties Indemnity Pool Board of Trustees has scheduled a

SIZE

14 LINES

1 COLUMN(S)

TIMES

2

TOTAL COST

22.50



AFFIDAVIT OF PUBLICATION

AS NEWSPAPER AGENCY COMPANY, LLC dba UTAH MEDIA GROUP LEGAL BOOKER, I CERTIFY THAT THE ATTACHED ADVERTISEMENT OF **PUBLIC NOTICE The Utah Counties Indemnity Pool Board of Trustees has scheduled a Public Hearing to consider adoption of the tentative 2017 budget at 12:30 FOR UTAH COUNTIES INDEMNITY POOL**, WAS PUBLISHED BY THE NEWSPAPER AGENCY COMPANY, LLC dba UTAH MEDIA GROUP, AGENT FOR DESERET NEWS AND THE SALT LAKE TRIBUNE, DAILY NEWSPAPERS PRINTED IN THE ENGLISH LANGUAGE WITH GENERAL CIRCULATION IN UTAH, AND PUBLISHED IN SALT LAKE CITY, SALT LAKE COUNTY IN THE STATE OF UTAH. NOTICE IS ALSO POSTED ON UTAHLEGALS.COM ON THE SAME DAY AS THE FIRST NEWSPAPER PUBLICATION DATE AND REMAINS ON UTAHLEGALS.COM INDEFINATELY. COMPLIES WITH UTAH DIGITAL SIGNATURE ACT UTAH CODE 46-2-101; 46-3-104.

PUBLISHED ON Start 12/08/2016 End 12/08/2016

DATE 12/8/2016

SIGNATURE

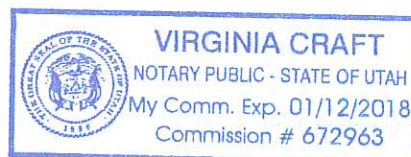
Ann Dartnell

STATE OF UTAH)

COUNTY OF SALT LAKE)

SUBSCRIBED AND SWORN TO BEFORE ME ON THIS 8TH DAY OF DECEMBER IN THE YEAR 2016

BY ANN DARTNELL



Virginia Craft
NOTARY PUBLIC SIGNATURE

RECEIVED
DEC 14 2016
BY: _____

AFFIDAVIT OF BRUCE ADAMS

STATE OF UTAH

)

:ss

COUNTY OF SALT LAKE

)

Bruce Adams, being duly sworn upon oath, deposes and says:

1. That the affiant has personal knowledge of the matters hereinafter referred to in this Affidavit.

2. That the Affiant, on or about the 15 day of December, 2016, presided over a meeting of the Utah Counties Indemnity Pool Board of Trustees, an open and public meeting within the provisions of Chapter 4, Title 52, Utah Code Annotated, 1953, as amended.

3. That a quorum of the Utah Counties Indemnity Pool Board of Trustees was present and at least two-thirds of the members present, voted to close the meeting pursuant to the provisions of Section 52-4-4, Utah Code Annotated, 1953, as amended, for the purpose of discussing the character, professional competence, or physical or mental health of an individual.

4. That the affiant was present throughout the meeting and, pursuant to the provisions of Section 52-4-7.5, the affiant does hereby affirm that the sole purpose for closing the meeting was to discuss the character, professional competence, or physical or mental health of an individual or individuals.

FURTHER, Affiant saith not.

DATED this 15 day of December, 2016.



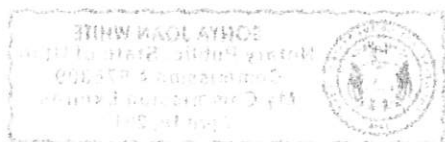
BRUCE ADAMS, President
Utah Counties Indemnity Pool

On the 15 day of December 2016, personally appeared before me Bruce Adams, who, after being by me duly sworn, deposed and said that the information contained in the above and foregoing Affidavit is true and correct.


NOTARY PUBLIC

My Commission Expires: April 18, 2018





**BOARD OF TRUSTEES' MEETING
MINUTES**

December 15, 2016, 12:30 p.m.

UAC/UCIP Building, 5397 S Vine, Murray, Utah

BOARD MEMBERS PRESENT

Bruce Adams, *President*, San Juan County Commissioner
Bret Millburn, *Vice President*, Davis County Commissioner
Karla Johnson, *Secretary/Treasurer*, Kane County Clerk/Auditor
William Cox, Rich County Commissioner
Dale Eyre, Sevier County Attorney
Kerry Gibson, Weber County Commissioner
Victor Iverson, Washington County Commissioner
James Kaiserman, Wasatch County Surveyor
Mark Whitney, Beaver County Commissioner
Mike Wilkins, Uintah County Clerk/Auditor

BOARD MEMBERS TELEPHONICALLY

Robert Dekker, Millard County Sheriff

BOARD MEMBERS ABSENT

Alma Adams, Iron County Commissioner
Brad Dee, Weber County Human Resources Director

OTHERS PRESENT

Johnnie Miller, UCIP Chief Executive Officer
Sonya White, UCIP Chief Financial Officer

Call to Order

Bruce Adams called the meeting of the Utah Counties Indemnity Pool's Board of Trustees to order at 12:30 p.m. on December 15, 2016, and welcomed those in attendance. Bruce Adams led the Pledge of Allegiance and a prayer was offered.

Recess for Public Hearing on 2017 UCIP Budget

Bret Millburn made a motion for the Board of Trustees to recess at 12:30 p.m. on December 15, 2016 for a scheduled Public Hearing to review the Utah Counties Indemnity Pool's 2017 Budget (see attachment number one). James Kaiserman seconded the motion, which passed unanimously. Present at and participating in the public hearing were: Bruce Adams, William Cox, Robert Dekker, Dale Eyre, Kerry Gibson, Victor Iverson, Karla Johnson, James Kaiserman, Johnnie Miller, Bret Millburn, Sonya White, Mark Whitney and Mike Wilkins.

Bret Millburn made a motion to close the public hearing and reconvene the Board of Trustees meeting at 12:40 p.m. on December 15, 2017. Jim Kaiserman seconded the motion, which passed unanimously.

Review/Excuse Board Members Absent

Karla Johnson made a motion to excuse Alma Adams and Brad Dee from this meeting. William Cox seconded the motion, which passed unanimously.

Ratify 2017 Contributions

Johnnie Miller presented the amount of member contributions for 2017 to the Board (see attachment number two). The Board approved rates at their August 18, 2016 meeting. The rates have been applied to the member's exposure information, which has been reported by each member as of December 1, 2016. Miller explained that a major change to the exposures is the Davis County Conference Center. The Center's management company is contractually required to carry property and liability insurance on the Center. They were unable to provide proof of property insurance to the County. Therefore, Davis County added the Center onto their schedule in July 2016. UCIP has covered the Center for six months at no cost to the County. Johnnie Miller negotiated with the reinsurers and there is no cost to UCIP for the six months the Center was covered. The management company has now provided proof of property insurance and the Center has been deleted from the County's exposures for 2017. Victor Iverson made a motion to establish the contributions as presented. Mike Wilkins seconded the motion, which passed unanimously.

Review/Approve UCIP 2017 Budget

Following the Public Hearing on the 2017 Budget and approved established contributions, Karla Johnson presented the 2017 UCIP Budget to the Board. Karla Johnson made a motion to approve the 2017 Budget as presented. Mike Wilkins seconded the motion, which passed unanimously.

Review/Approve October 13, 2016 Meeting Minutes

The draft minutes of the Board of Trustees meeting held October 13, 2016 were previously sent to the Board Members for review (see attachment number three). Karla Johnson made a motion to approve the October 13, 2016 Board of Trustees meeting minutes as written. William Cox seconded the motion, which passed unanimously.

Ratification and Approval of Payments and Credit Card Transactions

Karla Johnson reported that she has reviewed the payments made, the payments to be made and the credit card transactions of the Pool as of October 14, 2016 through December 15, 2016 (see attachment number four). Karla Johnson made a motion to approve the payments made, the payments to be made and the credit card transactions as presented. Victor Iverson seconded the motion, which passed unanimously.

Review/Ratify Net Asset Management Policy

As presented at the October 13, 2016 Board meeting, Johnnie Miller presented the Board with the amendments to the Net Asset Management Policy (see attachment number five). William Cox made a motion to approve the amendments to the Net Asset Management Policy as presented. Mike Wilkins seconded the motion, which passed unanimously.

Review/Ratify Dividend Policy

As presented at the October 13, 2016 Board meeting, Johnnie Miller presented the Board with the amendments to the Dividend Policy (see attachment number six). Dale Eyre made a motion to approve the amendments to the Net Asset Management Policy as presented. William Cox seconded the motion, which passed unanimously.

Review/Approve Personnel Policy

Johnnie Miller explained that the Board has operated with an Employee Manual as a basis of policies regarding personnel issues. Based on changes to the Interlocal Cooperation Act, in the 2015 Legislature, the State Auditor's Office has opined that each Interlocal Agency must adopt a personnel policy. Miller has converted the Employee Manual to a Personnel Policy and outlined for the Board significant changes that were made (see attachment number seven). The revised UCIP Personnel Policy was presented to the Board (see attachment number eight). Victor Iverson made a motion to approve the UCIP Personnel Policy as written. William Cox seconded the motion, which passed unanimously.

Review/Approve Claims Audit

Johnnie Miller presented the annual claims audit for confirmation of adequacy and validity of current reserves (see attachment number nine). County Reinsurance Limited (CRL) contracts with Alternative Service Concepts to conduct this audit. The claims management scored high in all areas except documentation. The President of CRL is happy with the results. Victor Iverson made a motion to approve the annual liability reserves audit as presented. Karla Johnson seconded the motion, which passed unanimously.

Review/Approve Workers Compensation Fund 2017 Program

Sonya White reported that premiums for members in the WCF Insurance Joint Purchase program have been issued. NCCI Rating has decreased in each employee classification, while member payroll and experience modification factors have increased. Overall, the total program experienced a three percent increase from the prior year's premium. Mike Wilkins made a motion to approve the WCF Insurance program as presented. William Cox seconded the motion, which passed unanimously.

Review/Approve 2016 Amended Budget

Sonya White reported that the 2016 Budget does not need to be amended. William Cox made a motion to strike agenda item: *Review/Approve 2016 Amended Budget*. Kerry Gibson seconded the motion, which passed unanimously.

Review/Approve Audit Services Provider

Johnnie Miller reported that two CPA firms responded to UCIP's Request for Proposals (RFP) for Financial Audit Services by the deadline of no later than 5:00 p.m. on Friday, December 2, 2016 (see attachment number 10). The RFP was based on the State Auditor's RFP format with a few minor changes. Both firms provided estimates of cost using an hourly rate multiplied by estimated hours, and also a "not-to-exceed" amount for 2016, 2017 and 2018. After reviewing each preproposal carefully, Miller reported that management is comfortable working with either firm. Victor Iverson made a motion to award the Financial Audit Services to the CPA Firm, Larson & Company, PC. Bret Millburn seconded the motion, which passed unanimously.

Review/Approve LocalGovU Renewal

Johnnie Miller reported that after the first year of online training services, provided by UCIP through LocalGovU (see attachment number 11), members have utilized the services very little or not at all. Miller met with the HR Affiliate Group in November and was told from those members utilizing the training that LocalGovU is a very good program. The HR Group has requested that UCIP continue the program for another year. Miller recommended that UCIP continue the LocalGovU online training program in 2017 by purchasing an additional block of courses for \$10,000. Mike Wilkins made a motion to continue the LocalGovU online training program in 2017. Victor Iverson seconded the motion, which passed unanimously.

Set Date and Time for Closed Meeting

William Cox made a motion to Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual on December 15, 2016 at 1:15 p.m. Bret Millburn seconded the motion, which passed unanimously. Board Members present at and participating in the closed meeting were: Bruce Adams, William Cox, Robert Dekker, Dale Eyre, Kerry Gibson, Victor Iverson, Karla Johnson, James Kaiserman, Bret Millburn, Mark Whitney and Mike Wilkins. Also present was: Johnnie Miller.

The regular scheduled meeting resumed on December 15, 2016, at 2:00 p.m.

Action on Personnel Matters

Jim Kaiserman made a motion to award a 2% COLA increase and a \$4,000 merit increase to UCIP's Chief Financial Officer. Kerry Gibson seconded the motion, which passed unanimously.

Bret Millburn made a motion to award UCIP's Chief Executive Officer (CEO) a \$5,000 merit increase inclusive of a 2% COLA increase. The UCIP President will meet with the CEO to perform an annual review. Robert Dekker seconded the motion, which passed unanimously.

William Cox made a motion to award the Operations Specialist a 2% COLA increase and a \$2,500 Merit increase. Bret Millburn seconded the motion, which passed unanimously.

Mike Wilkins made a motion to award the Claims Manager a 2% COLA increase and a \$1,000 merit increase. Jim Kaiserman seconded the motion, which passed unanimously.

Set Date and Time for Closed Meeting

William Cox made a motion to Set Date and Time for a Closed Meeting to Discuss Pending or Reasonably Imminent Litigation on December 15, 2016 at 2:05 p.m. Mike Wilkins seconded the motion, which passed unanimously.

The regular scheduled meeting resumed on December 15, 2016, at 2:15 p.m.

Action on Litigation Matters

Dale Eyre made a motion to accept the recommendation of the Litigation Management Committee in the matter of IRO0001352013. Victor Iverson seconded the motion, which passed unanimously.

Set Date, Time and Place of Regular Meetings for 2017

Sonya White provided the Board with the tentative regular meeting schedule of the Board for 2017 (see attachment number 12). The Board will continue to meet every even numbered month on the third Thursday of that month. White explained that Johnnie Miller, as President of the Local Chapter of the Public Risk Management Association (PRIMA), will attend its National Conference in June. This Conference conflicts with the Board's Strategic Planning meeting. An option would be that the Board could forgo its training at the Association of Governmental Risk Pools (AGRIP) and attend the PRIMA Conference where they could also have their Strategic Planning meeting. Bret Millburn made a motion to approve the regular meeting schedule for 2017 with the Strategic Planning meeting to be scheduled in conjunction with the PRIMA Conference. Karla Johnson seconded the motion, which passed unanimously.

Elect 2017 Officers of the Board/Board Appointments

Victor Iverson made a motion to reelect the currently officers of the Board for 2017: Bruce Adams, President; Bret Millburn, Vice President; and Karla Johnson, Secretary/Treasurer. Mike Wilkins seconded the motion, which passed unanimously.

Victor Iverson made a motion to reappoint Brad Dee as the Chair of the Personnel Committee and Dale Eyre as Chair of the Litigation Management Committee. Jim Kaiserman seconded the motion, which passed unanimously.

Chief Executive Officer's Report

Johnnie Miller had no additional information for the Board other than what has already presented in the meeting.

Other Business

Bruce Adams directed staff to contact San Juan Mental Health Special Service District regarding membership in the Pool.

The next meeting of the Board of Trustees will be held Thursday, February 16, 2017 at 12:30 p.m. at the UAC/UCIP Offices, 5397 S Vine, Murray, Utah.

Prepared by:

Sonya White

Sonya White, UCIP Chief Financial Officer

Submitted on this 14 day of February 2017

Karla Johnson

Karla Johnson, Secretary/Treasurer

Approved on this 16 day of February 2017

Bruce Adams

Bruce Adams, President

UTAH COUNTIES INDEMNITY POOL BUDGET

	<u>2017</u>
Revenue	
Contributions	\$ 6,115,000
Investments	75,000
Other	<u>7,000</u>
Total Income	6,197,000
Underwriting Expense	
Losses and Loss Adjustments	3,200,000
Reinsurance	<u>1,648,000</u>
Total Underwriting Expenses	4,848,000
Administrative Expense	
Trustees	55,000
Depreciation	4,000
Risk Management	55,000
Public Relations	15,000
Office	95,000
Financial	85,000
Personnel	<u>675,000</u>
Total Administrative Expenses	984,000
Total Operating Expense	5,832,000
Change in Net Position	<u>\$ 365,000</u>

UTAH COUNTIES

INDEMNITY POOL

BOARD OF TRUSTEES' MEETING MINUTES

October 13, 2016, 12:30 p.m.

UAC/UCIP Building, 5397 S Vine, Murray, Utah

BOARD MEMBERS PRESENT

Bruce Adams, *President*, San Juan County Commissioner
Bret Millburn, *Vice President*, Davis County Commissioner
Karla Johnson, *Secretary/Treasurer*, Kane County Clerk/Auditor
Alma Adams, Iron County Commissioner
William Cox, Rich County Commissioner
Robert Dekker, Millard County Sheriff
Kerry Gibson, Weber County Commissioner
Victor Iverson, Washington County Commissioner
Mike Wilkins, Uintah County Clerk/Auditor

BOARD MEMBERS TELEPHONICALLY

Mark Whitney, Beaver County Commissioner

BOARD MEMBERS ABSENT

Brad Dee, Weber County Human Resources Director
Dale Eyre, Sevier County Attorney
James Kaiserman, Wasatch County Surveyor

OTHERS PRESENT

Johnnie Miller, UCIP Chief Executive Officer
Sonya White, UCIP Chief Financial Officer
Korby Siggard, UCIP Claims Manager
Marty Stevens, UCIP Operations Specialist

Call to Order

Bruce Adams called the meeting of the Utah Counties Indemnity Pool's Board of Trustees to order at 12:30 p.m. on October 13, 2016, and welcomed those in attendance. Bruce Adams led the Pledge of Allegiance and a prayer was offered.

Review/Excuse Board Members Absent

Alma Adams made a motion to excuse Brad Dee, Dale Eyre and James Kaiserman from this meeting. Bret Millburn seconded the motion, which passed unanimously.

Review/Approve August 18, 2016 Meeting Minutes

The minutes of the Board of Trustees meeting held August 18, 2016 were previously sent to the Board Members for review (see attachment number one). Karla Johnson made a motion to approve the August 18, 2016 Board of Trustees meeting minutes as written. Mike Wilkins seconded the motion, which passed unanimously.

Review/Approve Daggett County Exposure Reduction Request

Sonya White reported that Daggett County has notified management that as of September 30, 2016 their contract with the Bureau of Reclamation, for security of the Flaming Gorge Dam, will end.

UTAH COUNTIES INDEMNITY POOL

5397 S Vine Street, Murray, UT 84107-6757
(801)565-8500 ucip.utah.gov

Review/Approve Daggett County Exposure Reduction Request (continued)

This will be a reduction in the public safety budget of \$857,949 and 22 public safety employees from what the County reported in June for the 2017 program. Daggett County is requesting that that Board look at this change for a possible adjustment to their 2017 member contribution. Sonya White explained that the rating methodology that the Board approved in August required adjustment of contribution for Daggett County. Therefore, the change in exposure would not affect the calculated contribution. Mike Wilkins made a motion for management to discuss the new rating methodology and change in exposure with the Daggett County. Victor Iverson seconded the motion, which passed unanimously.

Review/Approve County Related Entities Membership

Mike Wilkins reported that the Emery County Recreation Special Service District is looking at membership in the Pool (see attachment number two). The District qualifies under the Bylaws as a County Related Entity eligible for membership in the Pool. Mike Wilkins made a motion to approve the Emery County Recreation Special Service District as a non-equity, non-voting member of the Pool. Victor Iverson seconded the motion, which passed unanimously.

Ratification and Approval of Payments and Credit Card Transactions

Karla Johnson reported that she has reviewed the payments made, the payments to be made and the credit card transactions of the Pool as of August 19, 2016 through October 13, 2016 (see attachment number three). Karla Johnson made a motion to approve the payments made, the payments to be made and the credit card transactions as presented. Mike Wilkins seconded the motion, which passed unanimously.

Review/Approve Third Quarter 2016 Financial Statements

Sonya White provided the Board with the third quarter in-house prepared, unaudited account balances arising from cash transactions and from accrual transactions of the Pool as of September 30, 2016 to the basic financial statements (see attachment number four). Total net position increased \$507,604 from year ended 2015 and \$1,443,735 from the third quarter 2015. With the year 75% complete, revenues are at 76% of budgeted, underwriting expenses are at 69% of budgeted, and administrative expenses are at 62% of budgeted. William Cox made a motion to approve the third quarter 2016 financial statements as prepared and presented. Bret Millburn seconded the motion, which passed unanimously.

Review/Approve 2017 Tentative Budget

Sonya White provided the Board with a draft 2017 Tentative Budget for review (see attachment number five). Sonya White explained that the Board had approved a projected 2017 budget for purposes of the actuarial rate analysis. Now with the rates being approved by the Board and seeing how expenses are developing for 2016, management has a more accurate projection for the Board's tentative 2017 Budget. The Board reviewed a comparison of the final audited 2015 numbers, the approved 2016 Budget, the Projected 2017 Budget and the Tentative 2017 Budget. Robert Dekker made a motion to approve the Tentative 2017 Budget with a change from \$100,000 in Investment Revenue to \$75,000. Mike Wilkins seconded the motion, which passed unanimously.

Review/Approve Policies of the Board

Johnnie Miller provided the Board with a Review Schedule to assure that the Board reviews each of its major policies on an annual basis (see attachment number six). Johnnie Miller provided the Board with the proposed amendments to the Dividend Policy (see attachment number seven). Johnnie Miller explained that PricewaterhouseCoopers (PWC) conducted a risk based analysis for targeting surplus needs based on insurance industry standards. That report indicated that if UCIP was an insurance carrier seeking an A rating with the industry rating agencies, its surplus target would be approximately \$13,700,000. The report also stressed that items like the self-insured retention of the Pool, growth in membership, reinsurance structure and diversification of investments would all impact that target, leading to the recommendation that the Pool adopt a targeted range for surplus rather than a set amount.

Review/Approve Policies of the Board (continued)

Miller explained that the Pool's \$250K retention is pretty low within the industry and while the actuaries have found that the premium discount hasn't been worth the additional cost within the SIR to take a higher retention, UCIP should be prepared to assume a larger SIR in the future. As the study did not consider items that reduce the risk (and need for surplus) of a government pool such as immunities, tort caps, security of investments and pooling for reinsurance, Miller noted that the Board should consider the target identified in the report as a high end benchmark, and not as an absolute indication of surplus need. The target adopted by the board needs to consider this insurance industry analysis balanced with pooling industry standards for surplus targeting, which is generally 50% - 100% of annual revenue. Miller then recommended the Board consider a surplus target range of 90% - 250% of annual revenue, and incorporate that range into both the Net Asset Management Policy and Dividend Policy. Mike Wilkins made a motion to approve making changes to the Net Asset Management and Dividend Policies as presented and recommended by UCIP Management. Karla Johnson seconded the motion, which passed unanimously.

Review/Approve Coverage Addendum Amendments—Crime

Johnnie Miller provided the Board with proposed amendments to the Crime Section of the Coverage Addendum (see attachment number eight). UCIP jointly purchases on behalf of the Members a Government Crime Policy. Periodically the carrier of the Policy will make changes to the language and add or delete coverage. To correlate coverage with UCIP's Coverage Addendum and the Crime Policy; Johnnie Miller recommended that the Crime Section reference the Crime Policy and attach it as Appendix I to the Addendum. William Cox made a motion to approve the Coverage Addendum Amendments to the Crime Section, effective November 1, 2016, as presented. Alma Adams seconded the motion, which passed unanimously.

Set Date and Time for Closed Meeting

Bret Millburn made a motion to Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual at 1:48 p.m. on October 13, 2016. Kerry Gibson seconded the motion, which passed unanimously. Board Members present at and participating in the closed meeting were: Bruce Adams, Bret Millburn, Karla Johnson, Alma Adams, William Cox, Robert Dekker, Kerry Gibson, Victor Iverson, Mark Whitney and Mike Wilkins. Also present was: Johnnie Miller.

The regular scheduled meeting resumed at 2:00 p.m. on October 13, 2016.

Action on Personnel Matters

Robert Dekker made a motion to accept Johnnie Miller working part-time for the Foundation for Integrated Preservation (FIP). If any conflicts arise with Johnnie Miller's employment with the Pool, the conflict(s) will be disclosed to the Board. Karla Johnson seconded the motion, which passed unanimously.

Set Date and Time for Closed Meeting

Bret Millburn made a motion to strike agenda item: *Set Date and Time for a Closed Meeting to Discuss Pending or Reasonably Imminent Litigation*. Kerry Gibson seconded the motion, which passed unanimously.

Action on Litigation Matters

Johnnie Miller reported that due to an oversight, Impersonation Fraud was not included in the UCIP Coverage Addendum when the coverage was added by National Union Fire, the carrier for the Pool's Crime Coverage. The National Union policy has a \$25,000 deductible and a UCIP maintenance deductible of \$500 for impersonation fraud. Three members were recent victims of an impersonation fraud when the oversight was discovered. The Board discussed the precedence for providing coverage for a loss that was not in the approved Coverage Addendum at the time of loss. Victor Iverson made a motion to provide coverage for these three losses, without setting precedence for other claims not clearly covered by the Coverage Addendum, because the Crime Policy was in place at the time of the loss, and it was an oversight by management not to add the coverage to the Coverage Addendum. Alma Adams seconded the motion, which passed unanimously.

Nominating Committee Report

Bret Millburn reported that several officials have been nominated for the At-Large available position on the 2017 Board of Trustees. Sonya White confirmed that each nominee is willing to serve. The Nominating Committee met today to review those officials nominated (see attachment number nine). The Nominating Committee selected the following individuals to be placed on the ballot for vote by the membership on November 17, 2016: Bruce Adams, San Juan County Commissioner; Jack Lytle, Daggett County Commissioner; and Jeff Scott, Box Elder County Commissioner. Pursuant to the Bylaws, nominations will remain open until 30 days prior to the membership meeting. Therefore, nominations will be accepted and reviewed until October 17. Kerry Gibson made a motion to accept the Nominating Committee's report and nominees to be placed on the ballot unless other nominations are received by October 17. Mike Wilkins seconded the motion, which passed unanimously.

Annual Membership Meeting Planning

Sonya White reviewed the agenda for the Annual Membership Meeting, scheduled for November 17, with the Board (see attachment number ten). Bruce Adams will be unable to attend so Bret Millburn will chair the meeting to be held at the Hilton Garden Inn in conjunction with the Utah Association of Counties Annual Convention in St. George, Utah.

Claims Report

Korby Siggard provided the Board with a loss report that included total claims and amount paid by line of coverage (see attachment number 11). Claims were charted to show the last five years statistics. The majority of member auto claims come from deer accidents. Also, charted for the Board's review was the claim count comparison by first party and third party claims, the claim count comparison for members and terminating members and the total amount paid of claims submitted/paid after members terminated compared to residual claims paid to resolution after members terminated. Because the Interlocal Agreement had been changed to handle claims to resolution, members have paid over \$1,200,000 in claims for counties who terminated their membership. The Interlocal Agreement now reads: *Payment of claims for which coverage was provided under the Bylaws Coverage Addendum in effect prior to termination, but only to the extent of the amount of the case reserve set by UCIP for each claim as of the date of notice of termination, or the initial case reserve established by UCIP for claims reported after the date of notice of termination which are covered under the terms of the Bylaws Coverage Addendum in effect prior to termination.* This chart illustrates the effect during that time frame.

Chief Executive Officer's Report

Johnnie Miller reported on the following items: 1) the UCIP Risk Management Workshop held August 31 – September 1 was informative and well attended; 2) met with a representative of Lexipol but the Pool would need a significant discount to utilize its training and policy content; 3) Johnnie Miller and Adam Trupp, Utah Association of Counties Executive Director, attended the National Council of County Association Executives Insurance Meeting in Atlanta; 4) In a telephonic conference with County Reinsurance Limited it was affirmed that property and liability rates will not increase for the coming year; 5) training was conducted in Wayne County along with a policy review; 6) Tort Cap Study Group is making good headway from the initial no cap to a restructure of the reporting process and adjustment to the inflation calculator; 7) Johnnie Miller and Korby Siggard attended the Utah Prosecution Council in St. George and conducted a Litigation Management Committee meeting; and 8) Johnnie Miller discussed cyber liability on an episode of the County Seat.

Other Business

Sonya White provided the Board with the dates for the Association of Governmental Risk Pools 2017 Governance and Leadership Conference (see attachment number 12). Sonya White requested that Board Members confirm with her by January 4, if possible, if they will be attending the Conference.

The next meeting of the Board of Trustees will be held Thursday, December 15, 2016 at 12:30 p.m. at the UAC/UCIP Offices, 5397 S Vine, Murray, Utah.

Prepared by:

Sonya White, UCIP Chief Financial Officer

Submitted on this _____ day of _____ 2016

Karla Johnson, Secretary/Treasurer

Approved on this _____ day of _____ 2016

Bruce Adams, President

UTAH COUNTIES INDEMNITY POOL

PAYMENTS AND CREDIT CARD TRANSACTIONS

October 14 - December 16, 2016

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	AMOUNT
500-000000-10010100 ZionsHRA					
10/20/2016	Expenditure			ZIONS WEB BUS BILLPAY PAYMENTS 2 ZIONS WEB BUS BILLPAY PAYMENTS 25 Sep	-1.50
10/26/2016	Check	BILLPAY	Marty Stevens	HRA Reimbursable Expenses	-80.00
Total for 500-000000-10010100 ZionsHRA					\$ -81.50
500-000000-10010100 ZionsMLC					
10/18/2016	Check	BILLPAY	State Farm	Claim: WAS0002572016	-610.70
10/18/2016	Check	BILLPAY	Uintah County	Claim: UIN0000042016	-20,209.62
10/18/2016	Check	BILLPAY	Robert & Paula Riddle	Claim:WAT0000102016	-5,373.22
10/21/2016	Expenditure			SERVICE AND TRANSACTION FEES	-5.00
10/24/2016	Check	ACH	Mylar Law, PC	Invoice: 20160116	-14,789.45
10/24/2016	Check	ACH	Mylar Law, PC	Invoice: 20160117	-3,837.00
10/24/2016	Check	ACH	Davis County	Claim: DAV0000212016	-1,447.53
10/24/2016	Check	ACH	Stirba, P. C.	Invoice: 01017021	-6,284.40
10/24/2016	Check	ACH	Durham Jones & Pinegar	Invoice: 538019	-4,184.38
10/24/2016	Check	ACH	Durham Jones & Pinegar	Invoice: 538018	-2,673.00
10/24/2016	Check	ACH	Durham Jones & Pinegar	Invoice: 538017	-420.00
10/26/2016	Check	BILLPAY	St. Olaf Catholic Church	Claim: DAV0003632016	-986.00
10/26/2016	Check	BILLPAY	Emery County	Claim: EME0000062016	-1,802.63
10/26/2016	Check	BILLPAY	Emery County	Claim: EME0000052016	-15,484.33
10/31/2016	Check	ACH	Duchesne County	Claim: DUC0000082016	-1,441.21
10/31/2016	Check	ACH	Duchesne County	Claim: DUC0000102016	-4,051.43
10/31/2016	Check	ACH	Duchesne County	Claim: DUC0000092016	-299.20
10/31/2016	Check	ACH	Duchesne County	Claim: DUC0000122016	-10,213.01
10/31/2016	Check	ACH	Davis County	Claim: DAV0000212016	-2,970.83
10/31/2016	Check	ACH	Mylar Law, PC	Invoice: 20160122	-2,890.87
10/31/2016	Check	ACH	Mylar Law, PC	Invoice: 20160123	-7,753.00
10/31/2016	Check	ACH	Strong & Hanni	Invoice: 160622	-40.50
10/31/2016	Check	ACH	Strong & Hanni	Invoice: 160624	-8,705.30
10/31/2016	Check	ACH	Strong & Hanni	Invoice: 160625	-7,902.10
10/31/2016	Check	ACH	XACT Data Discovery	Invoice: 4612705	-429.60
10/31/2016	Check	ACH	Frontier Adjusters, Inc.	Invoice: T625504	-596.45
11/02/2016	Check	BILLPAY	Ellis's Country Auto Salvage	Invoice: 7652	-145.00
11/02/2016	Check	BILLPAY	Christensen & Jensen	Invoice: 86588	-2,747.50
11/02/2016	Check	BILLPAY	Christensen & Jensen	Invoice: 86587	-3,675.67
11/02/2016	Check	BILLPAY	Emery County	Claim: EME0000072016	-9,077.27
11/02/2016	Check	BILLPAY	Emery County	Claim: EME0000082016	-4,887.99
11/02/2016	Check	BILLPAY	AAA	Invoice: 012367143	-8,982.60
11/02/2016	Check	BILLPAY	Jessiann Huff	Claim: SEU0000012016	-700.00
11/04/2016	Check	ACH	Kane County	Claim:KAN0000052016	-710.18
11/04/2016	Check	ACH	Duchesne County	Claim:DUC0000102016	-481.64

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	AMOUNT
11/04/2016	Check	ACH	Mylar Law, PC	Invoice:20160124	-13,142.50
11/04/2016	Check	ACH	Suitter Axland	Invoice:1287679	-13,141.42
11/04/2016	Check	ACH	Suitter Axland	Invoice:1287688	-2,823.17
11/04/2016	Check	ACH	Suitter Axland	Invoice:1287691	-2,659.15
11/04/2016	Check	ACH	Suitter Axland	Invoice:1287693	-2,420.02
11/04/2016	Check	ACH	Hutton Law Associates, P.C.	Invoice:00205	-7,457.37
11/04/2016	Check	ACH	Hutton Law Associates, P.C.	Invoice:00204	-3,843.63
11/04/2016	Check	ACH	Hutton Law Associates, P.C.	Invoice:00203	-914.97
11/04/2016	Check	ACH	Hutton Law Associates, P.C.	Invoice:00202	-1,410.00
11/04/2016	Check	ACH	Strong & Hanni	Invoice:160623	-25,576.28
11/10/2016	Check	BILLPAY	Sanpete County	Claim:SAN0000032016	-24,428.50
11/10/2016	Check	BILLPAY	PurCo Fleet Services	Claim:DAV00002222016	-447.06
11/10/2016	Check	BILLPAY	Farmers Insurance	Invoice:099 SUB 3005982181	-5,000.00
11/15/2016	Check	ACH	Sevier County	Claim: SEV0000102016	-2,816.26
11/15/2016	Check	ACH	Piute County	Claim: PIU0000022016	-1,112.60
11/15/2016	Check	ACH	Millard County	Claim: MIL0000082016	-978.01
11/15/2016	Check	ACH	Millard County	Claim: MIL0000012016	-16,533.09
11/15/2016	Check	ACH	Mylar Law, PC	Invoice: 20160127	-195.00
11/15/2016	Check	ACH	Mylar Law, PC	Invoice: 20160126	-9,977.55
11/15/2016	Check	ACH	Mylar Law, PC	Invoice: 20160125	-2,047.50
11/17/2016	Check	BILLPAY	Enterprise Rent-A-Car, Inc.	Invoice: IAG4709	-1,419.32
11/17/2016	Check	BILLPAY	San Juan County	Claim: SAJ0000012016	-4,522.27
11/17/2016	Check	BILLPAY	Fillmore Spencer, LLC	Claim: SAJ0001192014	-50,000.00
11/30/2016	Check	ACH	Mylar Law, PC	Invoice: 20160129	-6,458.75
11/30/2016	Check	ACH	Mylar Law, PC	Invoice: 20160135	-10,591.00
11/30/2016	Check	ACH	Weber County	Claim: WEB0000302016	-1,692.60
11/30/2016	Check	ACH	Weber County	Claim: WEB0000292016	-117.76
11/30/2016	Check	ACH	Weber County	Claim: WEB0000282016	-1,403.50
11/30/2016	Check	ACH	Strong & Hanni	Invoice: 161718	-1,347.85
11/30/2016	Check	ACH	Stirba, P. C.	Invoice: 01015009	-958.21
11/30/2016	Check	ACH	Stirba, P. C.	Invoice: 01017022	-12,858.29
11/30/2016	Check	ACH	Durham Jones & Pinegar	Invoice: 541784	-5,173.50
11/30/2016	Check	ACH	Durham Jones & Pinegar	Invoice: 541783	-3,237.50
11/30/2016	Check	ACH	Durham Jones & Pinegar	Invoice: 541781	-2,476.01
11/30/2016	Check	ACH	Austin Chaulk	Claim:WEB0000272016	-5,070.89
12/02/2016	Check	BILLPAY	Christensen & Jensen	Invoice: 86803	-1,484.44
12/02/2016	Check	BILLPAY	Christensen & Jensen	Invoice: 86802	-502.20
12/02/2016	Check	BILLPAY	Christensen & Jensen	Invoice: 86801	-183.95
12/02/2016	Check	BILLPAY	Christensen & Jensen	Invoice: 86800	-171.39
12/02/2016	Check	BILLPAY	Christensen & Jensen	Invoice: 86799	-2,241.13
12/02/2016	Check	BILLPAY	Christensen & Jensen	Invoice: 86798	-758.60
12/02/2016	Check	BILLPAY	Morgan County	Claim: MOR0000012016	-1,379.33
12/02/2016	Check	BILLPAY	Jim Benally	Claim: SAJ0001372016	-3,545.61
12/02/2016	Check	BILLPAY	Greg Johnson	Claim: DAV0000322016	-302.64
12/02/2016	Check	BILLPAY	Tanner Walsh	Claim: DAV0000242016	-882.18
12/02/2016	Check	BILLPAY	Laura W. Robinson	Invoice: Eisenhour	-505.75
12/02/2016	Check	BILLPAY	Karen Murakami	Invoice: 33115 (Eisenhour)	-518.50
12/05/2016	Check	ACH	Suitter Axland	Invoice: 1287842	-1,460.99
12/05/2016	Check	ACH	Suitter Axland	Invoice: 1287841	-2,520.09
12/05/2016	Check	ACH	Suitter Axland	Invoice: 1287839	-6,923.83

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	AMOUNT
12/05/2016	Check	ACH	Suitter Axland	Invoice: 1287837	-2,461.25
12/05/2016	Check	ACH	Suitter Axland	Invoice: 1287592	-15.00
12/05/2016	Check	ACH	Suitter Axland	Invoice: 1287596	-69.90
12/05/2016	Check	ACH	Suitter Axland	Invoice: 1287836	-7,583.41
12/05/2016	Check	ACH	Suitter Axland	Invoice: 1287830	-8,189.56
12/05/2016	Check	ACH	Hutton Law Associates, P.C.	Invoice: 00210	-5,490.00
12/05/2016	Check	ACH	Hutton Law Associates, P.C.	Invoice: 00211	-5,569.41
12/05/2016	Check	ACH	Hutton Law Associates, P.C.	Invoice: 00209	-2,745.00
12/05/2016	Check	ACH	Weber County	Claim: WEB0000322016	-12,749.00
12/05/2016	Check	ACH	Garfield County	Claim: GAR0000012016	-3,500.00
12/05/2016	Check	ACH	Davis County	Claim: DAV0000212016	-390.00
12/05/2016	Check	ACH	Dunn & Dunn, P.C.	Invoice: 37645	-13,858.00
12/05/2016	Check	ACH	Mylar Law, PC	Invoice: 20160137	-17,763.50
12/05/2016	Check	ACH	Mylar Law, PC	Invoice: 20160138	-3,470.00
12/13/2016	Check	ACH	Frontier Adjusters, Inc.	Invoice: T635369	-1,435.00
12/13/2016	Check	ACH	Mylar Law, PC	Invoice: 20160139	-3,616.00
12/13/2016	Check	ACH	Mylar Law, PC	Invoice: 20160140	-8,072.00
12/15/2016	Check	BILLPAY	Webb Automotive Group	Invoice: 412283	-130.30
12/15/2016	Check	BILLPAY	Rocky Mountain Collision	Invoice: 9605	-893.37
12/16/2016	Check	ACH	Durham Jones & Pinegar	Invoice: 546436	-4,047.57
12/16/2016	Check	ACH	Durham Jones & Pinegar	Invoice: 546437	-2,215.47
12/16/2016	Check	ACH	Mylar Law, PC	Invoice: 20160143	-5,641.50
12/16/2016	Check	ACH	Mylar Law, PC	Invoice: 20160142	-2,925.42
12/16/2016	Check	ACH	Strong & Hanni	Invoice: 162167	-8,680.84
12/16/2016	Check	ACH	Strong & Hanni	Invoice: 162168	-29,152.39
12/16/2016	Check	ACH	Goebel Anderson PC	Invoice: 960	-27,863.31
12/16/2016	Check	ACH	Davis County	Claim: DAV0000252016	-611.74

Total for 500-000000-10010100 ZionsMLC

\$ -603,579.71

500-000000-10010100 ZionsMLE

10/14/2016	Check	ONLINE	United States Treasury	EFT ACKNOWLEDGEMENT NUMBER: 270668842933541	-3,163.94
10/14/2016	Check	DD	Marty L. Stevens	Direct Deposit	0.00
10/14/2016	Check	DD	Johnnie R. Miller	Direct Deposit	0.00
10/14/2016	Check	DD	Korby M. Siggard	Direct Deposit	0.00
10/14/2016	Check	DD	Sonya J. White	Direct Deposit	0.00
10/18/2016	Bill Payment (Check)	BILLPAY	Office Depot	35538769	-54.87
10/21/2016	Expenditure			SERVICE AND TRANSACTION FEES	-114.10
10/24/2016	Bill Payment (Check)	ACH	Arthur J. Gallagher & Co.	Invoice: 1921804	-2,750.00
10/24/2016	Bill Payment (Check)	ACH	Whitney Advertising & Design, Inc.	Invoice: 23045	-975.65
10/24/2016	Bill Payment (Check)	ACH	Whitney Advertising & Design, Inc.	Invoice: 23038	-1,355.90
10/24/2016	Check	ACH	Public Employees Health Program	Invoice: 0121917224	-5,613.64
10/24/2016	Check	ACH	Korby Siggard	Expense Reimbursement	-362.18
10/24/2016	Check	ACH	Alma Adams	Expense Reimbursement	-223.70
10/24/2016	Check	ACH	Karla Johnson	Expense Reimbursement	-330.48
10/24/2016	Check	ACH	Kerry Gibson	Expense Reimbursement	-49.68
10/24/2016	Check	ACH	Victor Iverson	Expense Reimbursement	-318.60
10/26/2016	Bill Payment (Check)	BILLPAY	PricewaterhouseCoopers LLP	Invoice: 10333929965	-45,000.00

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	AMOUNT
10/26/2016	Check	BILLPAY	Bruce Adams	Expense Reimbursement	-324.00
10/26/2016	Check	BILLPAY	Bret Millburn	Expense Reimbursement	-27.00
10/26/2016	Check	BILLPAY	Mike Wilkins	Expense Reimbursement	-187.92
10/28/2016	Check		QuickBooks Payroll Service	Created by Payroll Service on 10/24/2016	-10,866.92
10/31/2016	Check	ONLINE	United States Treasury	EFT ACKNOWLEDGEMENT NUMBER: 270670590542202	-3,190.34
10/31/2016	Check	ONLINE	Utah Retirement Systems	Confirmation: 10313063244	-7,096.43
10/31/2016	Check	ONLINE	Utah State Tax Commission	Confirmation: 0-616-561-920	-1,234.96
10/31/2016	Check	ONLINE	Nationwide Retirement Solutions	Entity: 0036786001	-2,262.06
10/31/2016	Check	DD	Marty L. Stevens	Direct Deposit	0.00
10/31/2016	Check	DD	Johnnie R. Miller	Direct Deposit	0.00
10/31/2016	Check	DD	Korby M. Siggard	Direct Deposit	0.00
10/31/2016	Check	DD	Sonya J. White	Direct Deposit	0.00
11/01/2016	Bill Payment (Check)	ACH	Nielsen & Senior	Invoice: 23934	-33.00
11/01/2016	Bill Payment (Check)	ACH	Gallagher Bassett Services, Inc.	Invoice: 15097	-204.00
11/01/2016	Check	ACH	PEHP-LTD	Period: OCT2016	-180.22
11/03/2016	Check	BILLPAY	Johnnie Miller	Expense Reimbursement	-549.92
11/07/2016	Check	ONLINE	American Express		-1,549.18
11/15/2016	Payroll Check		Korby M. Siggard	Pay Period: 11/05/2016-11/19/2016	-2,251.41
11/15/2016	Payroll Check		Marty L. Stevens	Pay Period: 11/05/2016-11/19/2016	-1,685.04
11/15/2016	Payroll Check		Sonya J. White	Pay Period: 11/05/2016-11/19/2016	-1,733.83
11/15/2016	Payroll Check		Johnnie R. Miller	Pay Period: 11/05/2016-11/19/2016	-5,044.76
11/15/2016	Bill Payment (Check)	ACH	Les Olson Company		-61.58
11/17/2016	Bill Payment (Check)	BILLPAY	Christensen & Jensen		-248.63
11/17/2016	Bill Payment (Check)	BILLPAY	Marita Wright		-206.00
11/17/2016	Bill Payment (Check)	BILLPAY	Object Systems International, LLC		-1,557.00
11/17/2016	Bill Payment (Check)	BILLPAY	Professional Yard Services		-1,200.00
11/17/2016	Bill Payment (Check)	BILLPAY	Society of CIC		-100.00
11/17/2016	Bill Payment (Check)	BILLPAY	Premiere Global Services		-163.21
11/29/2016	Payroll Check	DD	Marty L. Stevens	Pay Period: 11/16/2016-11/30/2016	-1,685.04
11/29/2016	Payroll Check	DD	Korby M. Siggard	Pay Period: 11/16/2016-11/30/2016	-2,251.40
11/29/2016	Payroll Check	DD	Sonya J. White	Pay Period: 11/16/2016-11/30/2016	-1,733.83
11/29/2016	Payroll Check	DD	Johnnie R. Miller	Pay Period: 11/16/2016-11/30/2016	-5,044.76
11/30/2016	Check		Utah Retirement Systems	Confirmation: 11293155770	-7,125.21
11/30/2016	Check	ONLINE	Nationwide Retirement Solutions	Entity: 0036786001	-2,262.06
11/30/2016	Check	ACH	PEHP-LTD	Period: NOV2016	-181.25
11/30/2016	Check	ACH	Public Employees Health Program	Invoice: 0121941555	-5,613.64
11/30/2016	Bill Payment (Check)	ACH	Object Systems International, LLC		-2,043.00

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	AMOUNT
11/30/2016	Bill Payment (Check)	ACH	Revco Leasing Company, LLC		-435.91
11/30/2016	Check	ACH	Johnnie Miller	Expense Reimbursement	-457.56
11/30/2016	Check	ACH	Korby Siggard	Expense Reimbursement	-459.08
11/30/2016	Check	ACH	Marty Stevens	Expense Reimbursement	-225.00
12/02/2016	Check	BILLPAY	Sonya White	Expense Reimbursement	-289.08
12/02/2016	Check	BILLPAY	Alan Gardner	AMM (Spouse Refund Duplicate)	-25.00
12/02/2016	Bill Payment (Check)	ONLINE	State of UT Dept of Workforce Services		-4,425.45
12/12/2016	Bill Payment (Check)	ONLINE	Bankcard Center		-150.00
12/12/2016	Bill Payment (Check)	ONLINE	American Express	3-41009	-9,953.74
12/14/2016	Payroll Check	DD	Sonya J. White	Pay Period: 12/01/2016-12/15/2016	-1,733.84
12/14/2016	Payroll Check	DD	Johnnie R. Miller	Pay Period: 12/01/2016-12/15/2016	-5,044.76
12/14/2016	Payroll Check	DD	Marty L. Stevens	Pay Period: 12/01/2016-12/15/2016	-1,685.03
12/14/2016	Payroll Check	DD	Korby M. Siggard	Pay Period: 12/01/2016-12/15/2016	-2,251.41
12/14/2016	Bill Payment (Check)	ACH	Arthur J. Gallagher & Co.		-2,306.00
12/14/2016	Bill Payment (Check)	ACH	Gallagher Bassett Services, Inc.		-192.00
12/14/2016	Bill Payment (Check)	ACH	Utah Association of Counties		-26,098.17
12/14/2016	Bill Payment (Check)	ACH	Whitney Advertising & Design, Inc.		-50.00
12/16/2016	Bill Payment (Check)	BILLPAY	Premiere Global Services		-348.60
12/16/2016	Bill Payment (Check)	ACH	Les Olson Company		-338.44
Total for 500-000000-10010100 ZionsMLE					\$ -186,679.41

NET ASSET MANAGEMENT POLICY

PURPOSE

Manage Net Asset levels to assure adequate assets to protect UCIP's financial position without holding excessive public funds as Net Assets.

GOAL

Manage Net Asset levels between ~~90~~100% and ~~100~~200% of annual contributions. Net Assets should be controlled within a minimum of 50% and a maximum of ~~120~~250% of annual contributions.

PROCEDURE

The Board shall review the audited Net Assets as part of the Member Contribution Rate Setting Process. The Board may use the Member Contribution Rate Setting Process, Claim Reserve Deterioration Fund, ~~the~~ Rate Stabilization Fund, and the Dividend Plan to manage and control Net Assets.

The Board conducts a Member Contribution Rate Setting Process annually in order to determine annual Member contributions in accordance with the UCIP Interlocal Agreement. In addition to the actuarial rate analysis, competitive factors and all other factors which impact the rate setting decision process, the Board shall review the audited Net Asset position in relation to this policy as part of their annual Member Contribution Rate Setting Process.

The **Claim Reserve Deterioration Fund** may be used to assure designated reserves are adequate to pay all claims assumed. This fund will be shown separately on the financial statements from the claim reserves, and will show the difference, if any, between the "expected" loss reserves identified by the actuary and the amount of reserves the Board approves to dedicate. The "expected" level provides a 60% confidence level that the reserves are adequate to pay all claims assumed. The Board should consider approving reserves in the 80% to 90% confidence level when pool performance allows.

The **Rate Stabilization Fund** may be utilized to designate surplus to cover temporary or unexpected expenses, particularly reinsurance expense, to avoid temporary rate fluctuation. As reinsurance expenses can only be estimated at the time pool rates are developed, the primary use of this fund will be to cover costs of estimates that were low when rates were developed, as this would only affect the rates for that year. Additional amounts may be set aside to account for unexpected increases in reinsurance costs or other expenses, to allow for gradual rate change over multiple years.

The **Dividend Plan** should be used to return excess Net Assets to members in the manner described in the Dividend Policy.

When determining if Net Assets are within the ranges identified in this policy, audited Net Assets shall be compared to the prior year's audited annual contributions.

CONTROL OF NET ASSET LEVELS

Surplus-Net Assets should not exceed ~~400~~250% of annual contributions unless the board has specific needs for such surplus which may include but not be limited to the following:

- Expectation of new membership;
- Development of a new line of coverage;
- Development of new or expanded coverage; or
- Development of new or expanded services.

Net Assets should not fall below 50% of annual contributions. If Net Assets do fall below 50%, the Board shall immediately implement a plan to increase Net Assets.

REVEIW

The Board shall review this policy annually and make any reasonable amendments to continue to meet the goal of this policy.

DIVIDEND POLICY

PURPOSE

~~Manage To assist the Board in managing Net Asset levels to assure adequate assets to protect UCIP while not exceeding statutory limitations on Net Assets in accordance with the Net Asset Management Plan.~~

GOAL

Manage Net Asset levels between 90% and ~~100~~200% of annual revenue.

PROCEDURE

If Net Assets exceed ~~90~~200% of annual revenue, the Board may issue dividends. If Net Assets exceed ~~100~~250% of annual revenue, the Board shall issue dividends unless the Board has specific needs for such surplus as described in the Net Asset Management Policy. Dividends may be issued as Experience Dividends and/or Equity Dividends.

Experience Dividend – If Net Assets exceed ~~90~~200% of annual revenue, the Board may issue an Experience Dividend. Members with loss ratios significantly below the average member loss ratio would be eligible for an Experience Dividend. Average member loss ratio would be calculated on the year in which the dividend is issued and on a multi-year basis, at the Board's discretion.

Equity Dividend – If after an Experience Dividend is provided, Net Assets remain in excess of ~~90~~200%, the Board may issue an Equity Dividend to the membership. If after the Experience Dividend is provided, Net Assets remain in excess of ~~100~~250%, the Board shall issue an Equity Dividend to the membership unless the Board has specific needs for such surplus as described in the Net Asset Management Policy. For purposes of the Equity Dividend, equity will be calculated in accordance with the equity calculation in the Interlocal Agreement.

Member in Good Standing Dividend – At the time the Board issues an Experience Dividend and/or Equity Dividend the Board may also issue a Member in Good Standing Dividend to members who are not eligible for an Experience Dividend or Equity Dividend at the time of the issuance of other dividends. A Member in Good Standing Dividend may not exceed \$1,000 per Member.

When determining if Net Assets are within the ranges identified in this policy, audited Net Assets shall be compared to the prior year's audited annual contributions.

REQUIREMENTS

To receive an Experience Dividend a member must:

- Be continuing membership in the Pool for the prospective year; and
- Maintain a loss ratio significantly below the average member loss ratio; and
- Comply with specified Best Practices Program requirements as determined by the Board.

To receive an Equity Dividend a member must:

- Be continuing membership in the Pool for the prospective year; and
- Have an individual equity to annual contribution ratio of at least ~~90~~100%.

To receive a Member in Good Standing Dividend a member must:

- Be continuing membership in the Pool for the prospective year.

LIMITATIONS ON DIVIDENDS

The total of Experience, ~~and~~ Equity Dividends and Member in Good Standing Dividends shall not deplete the Pool's total Net Assets below ~~90~~100% of annual ~~revenue~~contributions.

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Memorandum

To: Board of Trustees
From: Johnnie Miller
Date: December 8, 2016
RE: Personnel Policy Adoption

Based on changes to the Interlocal Cooperation Act in the 2015 Legislature, the State Auditor's Office has opined that each interlocal agency must adopt a personnel policy. UCIP has traditionally adopted an Employee Manual, which has been the basis of policies regarding personnel issues. To make best efforts to follow the recommendations of the Office of State Auditor, I have revised the Employee Manual to create a UCIP Personnel Policy. Changes were made to the language and formatting of the document to accomplish this. While converting the manual to a policy, the following changes of significance were made:

- Added Purpose section to convert manual to a policy. Used language from statute as purpose statement;
- Created requirement for CEO to provide training on policy at hire and annually;
- Amended Reimbursement of Business Expense section to reference Expense Reimbursement Policy and delete references to specific expenses;
- Identified CEO and CFO as individuals provided business credit cards;
- Amended Wages section to add "competitive with other similar governmental risk pools";
- Identified CEO receives Auto Allowance;
- Identified CEO, CFO and Claims Manager receive cell phone allowance;
- Changed Cost Of Living Adjustment Consumer Price Index reference to October data for Western Region from January data for Salt Lake City to allow time for budgeting;
- Amended Bonus section to clarify any bonus paid would be reported as taxable income;
- Changed Discretionary Award to Employee Award, and clarified an award would be in the form of a gift card or merchandise to recognize efforts on behalf of UCIP;
- Split Retirement section into two parts, one for URS and one for matching contributions;
- Did away with Schedule of Discretionary Benefits and incorporated rates and amounts of benefits into benefits description sections;
- Amended Drug Policy to add language requiring a drug test any time a supervisor has reasonable suspicion;
- Amended Harassment and Sexual Harassment sections to provide that if CEO is subject of complaint, employee may report to CFO, who shall immediately forward report to Chair of UCIP Personnel Committee;
- Amended Email section to clarify emails on UCIP system may be public record and subject to GRAMA;
- Added Grievance and Appeal Process as references in new requirements for interlocal agencies would seem to require this process in a personnel policy. Procedure is four

part process: 1) Informal Dispute Resolution with supervisor; 2) Formal Grievance with CEO; 3) Appeal to Personnel Committee of CEO determination; 4) Appeal of Personnel Committee decision to Board.

I have reviewed these changes with the CFO, and recommend adoption of the UCIP Personnel Policy as presented or with changes as identified by the Board.

JRM/jrm

UCIP PERSONNEL POLICY

PURPOSE

Utah Counties Indemnity Pool (UCIP) is a political subdivision of the State of Utah, governed by the UCIP Board of Trustees (Board), operating under the laws of the State of Utah. The Board has adopted this Personnel Policy to identify the rights, privileges, obligations and responsibilities of employment with UCIP and to provide the Board and UCIP management with clear direction in dealing consistently with all employees in the following areas:

- Recruiting, selecting, and advancing employees on the basis of their relative ability, knowledge, and skill levels, including open consideration of qualified applicants for employment;
- Providing equitable and adequate compensation and benefits;
- Training employees as needed to assure high quality performance and to provide the employee with the skills needed to meet the performance standards of their position;
- Retaining employees on the basis of the adequacy of their performance, correcting inadequate performance, and terminating employees whose inadequate performance cannot be corrected in a timely manner, or whose actions are of a type or severity as to require termination without attempting correction;
- Assuring non-discrimination for applicants and employees in all aspects of personnel administration without regard to political affiliation, race, color, national origin, sex, religion, age or disability and with proper regard for their privacy and constitutional rights;
- Providing a formal procedure for processing appeals and grievances of employees without discrimination, coercion, restraint, or reprisal;
- Assuring that all dealings with applicants and employees are conducted in compliance with all State and Federal laws; and
- All other actions dealing with employees to assure that UCIP provides a safe, productive, professional workplace to all employees.

AUTHORITY

The UCIP Board of Trustees establishes the policies and procedures that are outlined in this Policy under the authority granted to it under the UCIP Interlocal Agreement. The Board may alter, amend, or supplement these policies and procedures at any time.

SCOPE

These policies and procedures apply to all UCIP employees. No individual Trustee, officer or employee has the authority to waive, alter or make exception to any of these policies unless expressly provided for herein.

SECTION I - GENERAL PROVISIONS

A. Employee Receipt of Policy

The Chief Executive Officer shall assure that this Personnel Policy is provided to every employee of the Pool with reasonable training on all requirements, restrictions, limitations and benefits enumerated in this Policy. The Chief Executive Officer shall assure this Policy is reviewed with each employee at hire and annually, and that all training required or indicated in the Policy is provided. Each employee shall be required to sign the Receipt of Personnel Policy provided in Appendix I at the time of such review, and such receipt shall be filed and maintained in the employee's personnel file.

RECEIPT OF PERSONNEL POLICY

I, the undersigned employee, have received a copy of the Utah Counties Indemnity Pool (UCIP) Personnel Policy (Policy) and have had an opportunity to review its contents with management and ask questions relating thereto.

I understand that employment with UCIP is "at will" and may be terminated by UCIP or me at any time with or without cause. I understand the terms of the at will employment relationship as applied under Utah law and as referenced in this Policy. I understand that no officer or employee of UCIP has the authority to enter into a contractual employment relationship with me in writing, verbally, on an implied basis, or any other basis, or in any way waive or alter the at will employment relationship.

I understand this Policy is provided to me to assist in understanding the rights, privileges, obligations and responsibilities of employment with UCIP and I agree that nothing in this Policy, or any omission to this Policy, is meant as creating a contractual relationship between UCIP and myself.

I understand these policies and procedures as well as the benefits provided by UCIP to its employees may be amended from time to time by action of the UCIP Board of Trustees, and that the Board of Trustees reserves the right to amend, alter, or revoke any policy, practice, benefit, or employment condition, at any time, or for any reason, with or without notice.

Employee Signature

Date

B. At Will Employment

Employment with UCIP is “at will” and may be terminated at any time with or without cause. Nothing contained in this Policy, or the statement or failure to restate that employment with UCIP is “at will” in any section of this Policy is meant as a waiver or modification of that relationship.

No officer, supervisor or other employee or representative of UCIP has the authority to enter into any contract of employment whether written, verbal or implied or to in any other way waive or modify the “at will” employment relationship between UCIP and any employee. Only the UCIP Board of Trustees (Board) may enter into any relationship other than “at will” employment with an employee, and may do so only by resolution of the Board authorizing a written contract separate from this Policy with such employee.

No contract exists between UCIP and its employees or any third parties with respect to any aspects of employment including but not limited to salary ranges, movement within salary ranges, employee benefits or work location. Any aspects of employment with UCIP may change as a result of salary surveys, job analysis, availability of funds, job performance, changes in workload, or changes in UCIP policies and procedures.

The Receipt of Personnel Policy required by this Policy shall include the above statement regarding at will employment, and shall be printed on the Receipt of Personnel Policy in an offsetting box, in bold print and of sufficiently different type size or font to clearly have such statement stand out, similar to the way it is printed above.

C. Savings Clause

If any provision of these policies and procedures, or the application thereof, is found to be in conflict with any State or Federal law or regulation, these policies and procedures shall be considered amended to the extent necessary to comply with such law or regulation.

D. Protection of Personal Information

UCIP will take reasonable steps to protect the personal information of its employees and all other persons in its possession in compliance with all applicable State and

Federal laws related to the protection of personal identification information and personal health information.

UCIP has signed the Electronic Trading Partner Agreement with the Utah Retirement Systems. As a condition of this Agreement, UCIP has adopted the following policy statement: UCIP will prevent the improper use or disclosure of personal information regarding its employees' status, contributions and/or benefits, or any other personal information arising from enrollment or participation in the Utah Retirement Systems.

E. Non-Discrimination

UCIP is an equal opportunity employer. UCIP will comply with Federal and State non-discrimination laws with respect to employment on the basis of race, color, national origin, sex, age, disability, religion or other protected status under State or Federal law. UCIP will comply with Title VII, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Equal Pay Act and other applicable laws relating to non-discrimination in employment.

Employment at UCIP will be based upon the applicant or employee's relative ability, knowledge, and skill levels, and ability to perform the essential functions of the job.

F. Nepotism

UCIP will comply with Sections §52-3-1 to §52-3-4, of the Utah Code Ann. 1953, as amended regarding the employment of relatives.

If because of marriage, promotion, reorganization or other reason, it appears that a conflict with Utah law or this Policy appears to exist, the Chief Executive Officer, and the Board of Trustees shall review the matter.

If it is determined that a conflict exists, resignation or reassignment of one of the relatives may be required.

G. Employment Classifications

UCIP employment classifications are generally designated as either full-time or part-time positions. Each job description shall state whether the position is a full-time, part-time, or temporary position and if it is an exempt or non-exempt position for purposes of the Fair Labor Standards Act (FLSA).

An employee's classification determines the level of discretionary benefits for which the employee is eligible.

1. Full-Time Positions. Employees, who work thirty (30) or more hours per week in a permanent position (1560 hours or more annually), are full-time employees.

2. Part-Time Positions: Employees who work less than thirty (30) hours per week on a continuous or recurring basis (1559 hours or less annually) are part-time employees.
3. Temporary Positions: Employees hired on a project basis. Any single project may not exceed 40 hours of work during a period not to exceed 30 days.

All new and rehired employees will work on an introductory basis for the first 90 calendar days after their date of hire or rehire. The introductory period is intended to give new or returning employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. UCIP management will use this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or UCIP may end the employment relationship at will at any time during or after the introductory period, with or without cause or advance notice.

H. **FLSA**

UCIP will abide by the provisions of the Fair Labor Standards Act.

I. **Payroll Procedures**

Paydays will be twice a month, on the fifteenth and the last day of the month. If a payday falls on a Saturday, Sunday, or legal Holiday, UCIP will pay wages earned during the pay period on the day preceding the Saturday, Sunday, or legal Holiday.

J. **Reimbursement of UCIP Business Expenses**

UCIP will pay or reimburse employees for expenses associated with authorized UCIP business in accordance with UCIP Expense Reimbursement Policy adopted by the Board of Trustees. The rates or amounts paid or reimbursed will be determined from time to time by the UCIP Board of Trustees and documented in the Expense Reimbursement Policy.

K. **UCIP Business Credit Cards**

The UCIP Board of Trustees has approved the use of UCIP Business Credit Cards by the Chief Executive Officer and Chief Financial Officer, who regularly incur business expenses as part of their duties. UCIP Business Credit Cards are for use of authorized business travel expenses and other authorized business expenses. Employees using UCIP Business Credit Cards must submit documentation of the charges in the form of written receipts to the Chief Financial Officer on a monthly basis. Each receipt should include documentation of the business purpose of the expense. All UCIP Business Credit Card transactions will be reviewed and approved by the UCIP Board of Trustees. An employee will reimburse UCIP for any expenses not approved by the UCIP Board of Trustees as legitimate business expenses. Such expenses that are not reimbursed to UCIP within 30 days of notice to the employee by the Board may be deducted from the employees pay at the discretion of the Chief Executive Officer.

L. Outside Employment

No UCIP employees may engage in any outside employment (including self-employment) or activity that, in the opinion of the Chief Executive Officer, might impair the performance of their duties or is detrimental to UCIP member service. Employees must notify the Chief Executive Officer of outside employment prior to engaging in such employment, or at any time that the terms of outside employment changes.

M. Work Hours

All full-time employees are expected to work their assigned schedule. Work hours for part-time employees will be determined by the employee's supervisor.

1. Hours are weekdays from 8:00 a.m. until 4:30 p.m. After Memorial Day and prior to Labor Day of each year, the Chief Executive Officer may implement at their discretion a "summer flex hours" program. A flex hour program shall not exceed a program of employees working 10 hours a day for four days a week, and in no case shall a flex hour program create the need for payment of overtime to any employee. The Chief Executive Officer may make changes to the flex hour program at any time at their sole discretion.
2. Each employee will be allowed a thirty minute lunch period. An employee's lunch time may exceed thirty minutes as authorized by the Chief Executive Officer. Employees are expected to coordinate with other employees and their supervisors to assure the office is appropriately staffed for receiving guests and phone calls throughout the work day. Employees are normally expected to be present during all other work hours unless special arrangements are made with the Chief Executive Officer from time to time for cause.
3. Generally, employees are not allowed to skip their lunch break to leave work early.

N. Absence Without Leave

No employee may be absent from duty without permission. All employees should notify their supervisor, the Chief Financial Officer, or the Chief Executive Officer prior to an absence. In emergency situations where prior notification is not possible, the employee should provide notification as soon as possible.

If a pattern (two or more) of unexplained or unexcused absences develops, employees may be subject to a discipline, up to and including termination.

O. Terminating Employment

All employment with UCIP is "at will" employment. An employee's employment with UCIP may terminate in the following ways:

1. **Resignation.** Employees may resign at any time. However, as a courtesy, UCIP requests that employees give a minimum two weeks written notice so that UCIP has time to prepare final paperwork and arrange to assure minimal disruption to member service. Any earned and or accrued Vacation and Sick leave will be paid at the time of resignation in accordance with Vacation and Sick leave policies and procedures of this Policy.
2. **De-facto Resignation.** Employees who are absent from work for three consecutive days and are capable of providing notice to their supervisor, but fail to do so, are considered to have voluntarily resigned.
3. **Involuntary Termination.** As an “at will” employer, UCIP may terminate an employee’s employment at any time.

P. **Termination Pay**

Employees who leave UCIP service for any reason will be paid the wages due them at the next regularly scheduled payday. UCIP will pay earned and accrued Vacation and Sick leave due the employee based on the Vacation and Sick leave policies and procedures of this Policy in effect at the time of termination, which will also be paid at the next regularly scheduled payday.

SECTION II - COMPENSATION

All compensation provided to UCIP employees will be determined or approved by the UCIP Board of Trustees. The UCIP Board may alter, amend, or supplement these policies and procedures at any time to the extent allowed by law.

A. Wages

It is the intent of UCIP to provide its employees with wages competitive with other similar employers in the Salt Lake County area and with other similar governmental risk pools. Employee wages will be determined by the UCIP Board of Trustees and may be set based on analysis of wages for similar employers in the Salt Lake County area, similar governmental risk pool employers and in consideration of other benefits provided to similar employees to recognize the value of each employee's total compensation package.

B. Auto and Cell Phone Allowances

The UCIP Board of Trustees has approved Auto Allowance and Cell Phone Allowance at rates identified below to be paid to specific employees that regularly use their personal vehicle for travel or personal cell phone for authorized UCIP business. The Auto Allowance and Cell Phone Allowance are considered income for purposes of taxable income, and will be reported by UCIP as taxable income paid to the employee.

Auto Allowance is approved for the Chief Executive Officer at a rate of \$750 per month.

Cell Phone Allowance is approved for the Chief Executive Officer, the Chief Financial Officer and the Claims Manager at a rate of \$75 per month.

C. Cost of Living Adjustment (COLA)

Adjustments to wages related to cost of living are recommended by the Chief Executive Officer, and approved at the sole discretion of the UCIP Board of Trustees.

1. Employee salaries may be adjusted annually to protect them from inflation of the local economy. COLA will be paid only if funds are available in the budget, and at the sole discretion of the Board of Trustees.
2. The UCIP Board of Trustees may consider in part the percentage increase (if any) of the U.S. Department of Labor, Consumer Price Index for the Western Region as reported in October of each year, when considering any COLA type salary adjustment.

D. Merit Salary Increases

Merit adjustments to wages may be recommended by the Chief Executive Officer and may be approved at the sole discretion of the UCIP Board of Trustees.

1. Merit salary increases for employees may be considered on the basis of individual performance and performance of UCIP as an organization.
2. Merit salary increases may only be granted upon recommendation of the Chief Executive Officer and approval of the Board of Trustees.
3. The effective date of any merit increase shall be the first pay period of the calendar year, unless otherwise authorized by the Board of Trustees.

E. Bonuses

Individual bonuses may be recommended by the Chief Executive Officer. All bonuses must be approved by, and at the sole discretion of, the UCIP Board of Trustees. Bonuses are considered income for purposes of taxable income, and will be reported by UCIP as taxable income paid to the employee.

F. Trustee/Employee Award

Employee awards may be recommended by the Chief Executive Officer in appreciation of efforts on behalf of UCIP. All employee awards must be approved by, and at the sole discretion of, the UCIP Board of Trustees. Employee awards shall be in the form of credit on a payment or gift card, or merchandise. Employee awards may not exceed \$250 per employee annually.

SECTION III - DISCRETIONARY BENEFITS

The UCIP Board of Trustees may add, alter or eliminate discretionary benefits at its discretion.

UCIP provides a variety of benefits to eligible employees dependent on their employee classification. Full-time employees are eligible for all discretionary benefits described in this Section, unless specifically excluded. Part-time employees are eligible for discretionary benefits as described throughout this Section to the extent identified. Temporary employees are not eligible for any discretionary benefits unless required by law.

A. Retirement

1. In order to help its full-time and part-time employees plan and prepare for retirement, UCIP participates in the Local Government Public Employees' Noncontributory Retirement System administered by the Utah Retirement Systems (URS), as set forth in Utah Code Title 49, Chapter 13. UCIP contributions to the URS Local Government Public Employees' Noncontributory Retirement System are made in addition to, and not deducted from, eligible employee's regular pay. Eligibility of part time employees will be determined by the rules of the URS plans.
2. UCIP will provide matching contributions to the URS 401(k) Plan and/or the Nationwide 457 Plan. Employees who contribute into individual retirement accounts through payroll deduction will receive matching contributions from UCIP. All matching contributions will be deposited into the URS 401k Plan and/or the Nationwide 457 Plan at the employee's discretion. The total UCIP matching contributions shall not exceed five percent of the employee's eligible payroll. Employees will be allowed to have additional amounts deducted from their regular pay to contribute to these plans, based on the policies of each plan.

B. Medical, Life and Disability Group Insurance

UCIP will provide the following life and health benefits to full-time employees and to part-time employees as described:

1. Health Insurance

For the UCIP sponsored group health insurance coverage, UCIP pays 90% of the monthly premiums for single, double or family coverage for all full-time employees. UCIP pays 45% of the monthly premiums for single, double or family coverage for part-time employees scheduled to work 1,040 or more hours annually. UCIP does not pay any portion of the premiums for part-time employees scheduled to work less than 1,040 hours annually. The employee is responsible for any portion of monthly premiums not paid by UCIP, and may use pre-tax payroll deduction to meet that responsibility. The employee is responsible for all deductibles and co-payments.

2. Dental Insurance

For the UCIP sponsored group dental insurance coverage, UCIP pays 90% of the monthly premiums for single, double or family coverage for all full-time employees. UCIP pays 45% of the monthly premiums for single, double or family coverage for part-time employees scheduled to work 1,040 or more hours annually. UCIP does not pay any portion of the premiums for part-time employees scheduled to work less than 1,040 hours annually. The employee is responsible for any portion of monthly premiums not paid by UCIP, and may use pre-tax payroll deduction to meet that responsibility. The employee is responsible for all deductibles and co-payments.

3. Vision Insurance

For the UCIP sponsored group vision insurance coverage, UCIP pays 90% of the monthly premiums for single, double or family coverage for all full-time employees. UCIP pays 45% of the monthly premiums for single, double or family coverage for part-time employees scheduled to work 1,040 or more hours annually. UCIP does not pay any portion of the premiums for part-time employees scheduled to work less than 1,040 hours annually. The employee is responsible for any portion of monthly premiums not paid by UCIP, and may use pre-tax payroll deduction to meet that responsibility. The employee is responsible for all deductibles and co-payments.

4. Group Term Life

The UCIP sponsored group term life coverage is available to full-time employees only. UCIP pays 100% of the monthly premiums for \$50,000 coverage for the employee and 100% of the monthly premium for \$10,000 coverage for the employee's spouse and eligible dependents.

5. Long Term Disability (covers employees only)

For the UCIP sponsored group Long Term Disability coverage, UCIP utilizes the Public Employees' Long Term Disability Fund to provide a benefit for lost wage replacement for employees in the event of a long term disability. UCIP pays 100% of contributions to the Fund created under the Public Employees' Long Term Disability Act, Utah Code §49-21-101 et. seq. as amended (the Act).

The cost of optional coverage and amounts above the basic package are the responsibility of the employee.

Medical, life and disability group benefits are provided to promote the health and wellbeing of UCIP employees which also benefits UCIP by making its employees more productive. Employees who opt out of any medical, life or disability benefit will not receive compensation in lieu of the benefit.

C. Health Reimbursement Arrangement

The UCIP Board of Trustees has adopted a Health Reimbursement Arrangement (HRA) in accordance with Internal Revenue Service Rules.

1. For each calendar month a full-time employee scheduled to work 1040 or more hours annually has worked, UCIP will contribute into a Health Reimbursement Arrangement (HRA), as allowed by the Internal Revenue Service (IRS), \$50 up to a maximum of \$600 per year.
2. For each calendar month a part-time employee scheduled to work less than 1040 annually has worked, UCIP will contribute into a Health Reimbursement Arrangement (HRA), as allowed by the Internal Revenue Service (IRS), \$25 up to a maximum of \$300 per year.
3. Unused amounts in the HRA at the end of the calendar year can be carried forward for reimbursement in later years.
4. Employees may request to be reimbursed the cost of a qualified medical expense, as defined in Section 213(d) of the IRS Code. The qualified medical expense must have been incurred on or after the date an employee is enrolled in the HRA program and prior to the employee's termination from employment.
5. Employees terminated from employment must submit a valid reimbursement request within 60 days of the date of termination from employment.

D. Holidays

UCIP will provide the following paid Holidays to full-time employees only.

The first day of January – New Year's Day

The third Monday of January – Martin Luther King Day

The third Monday of February – Presidents' Day

The last Monday of May – Memorial Day

The 4th of July – Independence Day

The 24th of July – Pioneer Day

The first Monday of September – Labor Day

The second Monday of October – Columbus Day

The 11th of November – Veteran's Day

The fourth Thursday and Friday of November – Thanksgiving Day

The 25th of December – Christmas Day

When a paid Holiday falls on a Saturday, the paid Holiday will be observed on the Friday preceding the Holiday. When a paid Holiday falls on Sunday, the paid Holiday will be on the Monday following.

Should a paid Holiday occur while an employee is on Vacation, the employee will not be charged with Vacation on the day of the paid Holiday.

To be eligible for Holiday pay an employee must work the regular scheduled day prior to the Holiday, or the first regular scheduled day after the Holiday, or be on an authorized paid leave using Vacation pay, Sick leave pay, FMLA or USERA.

If the Chief Executive Officer requests an employee to work on a scheduled paid Holiday the employee may choose to be paid at time and one-half for the hours worked on the paid Holiday, or use the day as a floating Holiday to be used prior to the end of the calendar year.

E. Vacation

Vacation leave is provided to allow employees a break from their work duties to rest and reinvigorate. UCIP may require employees in fraud sensitive positions to take a minimum number of days of Vacation per year. It is UCIP's intent to incent employees to use Vacation leave in the year it is earned. A policy to carry over Vacation leave is provided to allow employees to plan for extended Vacations, and is not meant as a means for employees to "bank" significant Vacation leave. It is also UCIP's intent to incent employees to use Vacation leave in blocks of several days, rather than a day or two at a time. UCIP will provide paid Vacation to employees according to the following:

1. Full-time employees with less than five years of service earn Vacation leave at the rate of eight hours of Vacation leave for every month worked (eight hours for each full month of service). Full-time employees with more than five but less than ten years of service earn ten hours per month, and full-time employees with ten years of service and over earn 13.36 hours per month.
2. Part-time employees scheduled to work less than 1,040 hours annually earn Vacation leave at one-half the rate of a full-time employee.
3. Vacation leave may be advanced to employees with the approval of the Chief Executive Officer. Advanced Vacation leave requests totaling more than five days must be submitted to the UCIP Board of Trustees for approval. Advanced Vacation leave not earned prior to a termination will be deducted from the employee's final pay check.
4. At the discretion of the Chief Executive Officer an employee may be allowed to be paid out all or part of their earned Vacation leave, at the current rate of pay.
5. Vacation hours may be carried forward to succeeding years. However, no more than 360 hours may be carried forward to succeeding years. All accumulated

Vacation leave in excess of 360 hours at the end of the calendar year will be paid to the employee at the current rate of pay.

6. Vacation leave may be used in increments of no less than one half (½) hour.
7. Employees may generally use their Vacation leave anytime; however, to assure quality of member service, all Vacation leave must be approved in advance by the employee's supervisor. To allow adequate time for the supervisor to consider requests for Vacation leave, employees are encouraged to request Vacation leave as far in advance as possible, but generally, not less than one week in advance of the beginning of the Vacation period. If an employee feels their supervisor's denial of Vacation leave is unreasonable, they may ask for a review of the request for Vacation leave by the Chief Executive Officer.
8. Legal Holidays occurring while an employee is on Vacation leave are not deducted from an employee's accrued Vacation leave.
9. Unless required by law, employees do not earn Vacation leave while on an unpaid leave of absence unrelated to an injury or illness, when a period of an employee's own illness or injury exceeds 45 days, or when temporary total disability, due to a work related injury, exceeds 45 days.
10. Vacation hours may not be used for a work related injury or illness covered by workers compensation benefits.

F. Sick Leave

UCIP will provide compensated Sick leave to full-time and part-time employees who cannot perform their normal duties as a result of non-work related illness, injury or physicians visits related to non-work related illness or injury. Employees are encouraged to build up Sick leave so that days are available for serious illness. Employees who regularly use up Sick leave will be counseled regarding the difficulties such a practice may create. Sick leave is considered a privilege and employees should use it responsibly. Intentional misuse of Sick leave may be grounds for discipline, up to and including termination.

1. Full-time employees earn Sick leave at a rate of eight hours of leave for every month worked (eight hours for each full month of service).
2. Part-time employees scheduled to work 1,040 or more hours annually earn Sick leave at one-half the rate of a full-time employee.
3. Sick leave hours may be carried forward to succeeding years. However, no more than 600 hours may be carried forward to succeeding years. All accumulated Sick leave above 600 hours at the end of the calendar year will be converted to Vacation leave at the rate of eight hours earned Sick leave equals four hours Vacation leave.

4. An employee may not be allowed to be paid out all or part of their earned Sick leave, except at termination as described in this section.
5. The Sick leave hours earned by employees who leave UCIP service for any reason other than De-facto Resignation or Involuntary Resignation, as described in this Policy, will be converted to Vacation leave at the rate of eight hours earned Sick leave equals four hours Vacation leave and paid out as Vacation leave at the next regularly scheduled payday.
6. Sick leave may not be converted to Vacation leave for purposes other than at termination or carrying over the maximum Sick leave hours at year end as described in this section.
7. Employees may take Sick leave for personal illness or to care for Sick family members (spouse, child, other dependent or parent).
8. Employees taking Sick leave should provide notice at least one hour prior to beginning of shift in order to minimize disruption to the workplace.
9. Use of Vacation leave for absence from work due to an employee's own illness or injury will only be allowed when the employee has exhausted all earned and accrued Sick leave.
10. After exhausting all accrued Sick and Vacation leave, the employee may be considered to be on an unpaid leave of absence at the discretion of the Chief Executive Officer.
11. Sick leave may be taken in increments no less than one half ($\frac{1}{2}$) hour.
12. Legal Holidays occurring while a full-time employee is ill will not be deducted from an employee's earned or accrued Sick leave.
13. Unless required by law, employees do not earn Sick leave while on an unpaid leave of absence, when a period of an employee's own illness or injury exceeds 45 days, or when temporary total disability, due to a work related injury, exceeds 45 days.
14. After three (3) consecutive days of Sick leave the Chief Executive Officer may require an employee to provide a doctor's certificate with respect to any Sick leave taken. If such certificate is not provided, the employee's absence may be considered absence without leave at the discretion of the Chief Executive Officer.
15. After three (3) consecutive days of Sick leave the Chief Executive Officer may require an employee to provide a doctor's certificate with respect to the employee's ability to return to work, prior to the employee returning to work.
16. Sick leave may not be used for a work related injury or illness with the exception of the first three days of a short term disability if those days are not covered by workers compensation benefits.

G. Bereavement Leave

UCIP will grant bereavement leave to employees who suffer the death of a member of the immediate family, or a close relative. It is the intent of UCIP to be considerate of an employee's special needs and to be supportive at the time of the death of a loved one.

Accordingly, UCIP will provide the employee with paid time off from work to attend the funeral and to fulfill other responsibilities before the funeral without charge to the employee's earned or accrued Sick or Vacation leave.

If an employee suffers the death of a close relative, and requests time off from work during the period of bereavement, the Chief Executive Officer may approve the request based on the following:

1. The necessity and appropriateness of the time off. The employee should be attending the funeral and/or have certain responsibilities to fulfill before the funeral.
2. The amount of time off:
 - a. If the deceased was a member of the employee's immediate family (spouse, child or child of a spouse, parent or parent of a spouse, sibling or sibling of a spouse, brother or sister-in-law, grandparents, and grandchild or grandchild of a spouse), the employee may have paid time off up to five (5) days at any time between the death and the day of the funeral.
 - b. For other close relatives (aunt, uncle, niece, or nephew of either the employee or spouse) the employee may have paid time off for the day of the funeral.
3. The pay for bereavement leave will be based on the employee's current rate of pay and the number of hours in the employee's normal work week. Employees may request additional days off and use accrued Vacation or leave without pay, as approved by the Chief Executive Officer.
4. In the event of the death of a member of the immediate family while an employee is on Vacation, Vacation hours will not be charged by the amount of time normally authorized as outlined above.

H. Family and Medical Leave

UCIP will comply with all applicable requirements of the Family and Medical Leave Act of 1993 (FMLA).

1. An employee's use of FMLA will not result in the loss of any employment benefit that accrued prior to the start of the employee's leave. However, the employee must first use any accrued Vacation, compensatory time, and Sick

leave during the FMLA leave period. In calculating the twelve (12) week FMLA limit, all paid leave will be included.

2. UCIP utilizes a rolling year determined by UCIP as the basis for determining FMLA eligibility. However, UCIP retains the right to change the eligibility period when it is determined to be in the best interest of UCIP to do so in terms of administration.
3. Upon returning from FMLA leave, most employees will be reinstated to the same, or equivalent, position with equivalent pay, benefits, and other employment terms as previously provided. There will be no loss of benefits that accrue prior to the start of the employee's leave.

I. Jury Duty

Every employee will be granted an unpaid leave of absence when subpoenaed or ordered to appear as a juror or witness by the Federal Government, State of Utah, or political subdivision thereof. If the employee turns over the juror or witness fee to UCIP along with a copy of the subpoena, UCIP will pay the employee's regular compensation during the period of jury service. Travel time to or from juror or witness duty is also considered an approved absence, but UCIP will not pay any overtime regardless of the amount of jury service time and jury travel time. UCIP will not pay for jury duty related mileage regardless of whether the subpoena requires travel during work hours.

J. Education Assistance

UCIP employees are encouraged to seek further education to perform their jobs more effectively and to enhance their professional development. UCIP may subsidize the education expenses of employees under specified circumstances. Education assistance is subject to availability of funds in the budget year education assistance is requested, and applies only to full-time employees.

1. **Program Eligibility.** The education program must provide a benefit to UCIP by directly relating to the work the employee currently performs or will be required to perform. Eligibility of the education program will be determined by, and must be approved by, the Chief Executive Officer.
2. **Reimbursement.** Education assistance shall not exceed \$500 in any one year. Tuition costs shall not be carried into the next budget year for reimbursement.
3. **Procedures.**
 - a. Employees are encouraged to attend classes and study during non-working hours. In the alternative, the Chief Executive Officer may flex an employee's work schedule to allow the employee to attend classes and study for exams.

- b. To receive education assistance, an employee must receive approval from the Chief Executive Officer prior to commencement of the class. Employees are encouraged to discuss education assistance well in advance of the commencement of classes, to allow the expense to be appropriately budgeted.
 - c. To be reimbursed, the employee must complete the approved class with a final grade of "C" or better. If the course is only offered on a pass/fail basis, the employee must receive a passing grade.
 - d. The employee must submit proof of a satisfactory grade and proof of tuition payment to the Chief Executive Officer prior to reimbursement.
4. **Required Classes.** If UCIP requires an employee to attend an education program or class, UCIP shall pay the full cost of the program or class.

SECTION IV - STANDARDS OF CONDUCT

UCIP expects its employees to conduct themselves diligently, professionally and honorably in their assignments on behalf of the public. Employees should:

1. Work diligently on their assigned duties during their assigned work schedules.
2. Make prudent use of UCIP funds, equipment, buildings, supplies, and time.
3. Work courteously with coworkers and the public.
4. Observe work place rules of conduct and safety.
5. Meet the standards of their individual job descriptions.
6. Report and correct circumstances that prevent employees from performing their jobs effectively or completing their assigned tasks.

A. **Employee Discipline**

Employees who violate UCIP policies and procedures are subject to discipline. Discipline may include, but is not limited to, verbal warning, reprimand, probation, reassignment, transfer, suspension, reduced pay, demotion, termination or any other action deemed appropriate by the Chief Executive Officer. Grounds for discipline may include, but are not limited to:

1. Inefficiency;
2. Incompetence;
3. Failure to maintain skills;
4. Inadequate performance levels;
5. Neglect of duty;
6. Misconduct;
7. Inability to work in harmony with coworkers and member representatives;
8. Rudeness to a member representative or the public;
9. Disobedience of a reasonable order of a supervisor;
10. Dishonesty;
11. Insubordination;
12. Misappropriation or damage to Pool funds or property;
13. Misuse of UCIP funds or property;

14. Tardiness;
15. Unapproved absences;
16. Any act inimical to public service; and/or
17. Felony convictions and other violations of State and Federal law.

This list is not exhaustive and is set forth as a guideline, and in no way waives or modifies the at-will relationship between UCIP and its employees. This list should **not** be construed as preventing or limiting UCIP from taking disciplinary action, including termination, in circumstances where UCIP deems such action to be appropriate, regardless of whether UCIP has specifically identified a written rule or policy. Similarly, employees may be disciplined for violations of UCIP policy found in other Sections of this Policy, violations of State or Federal law, or violations of relevant policies, rules or laws promulgated elsewhere.

B. Drug Free Workplace

The purpose of this Policy is to implement the Federal Drug Free Workplace Act of 1988, providing for a safe and productive work environment that is free from impaired performance caused by employee use or abuse of controlled substances, medication, and/or alcohol. This Policy establishes procedures for controlling drug or alcohol use or abuse in the workplace and applies to all employees.

1. Responsibility of Employees
 - a. No employee shall unlawfully manufacture, dispense, possess, use, or distribute any controlled substance, medication, or alcohol.
 - b. Any employee convicted under a State or Federal law regulating controlled substances shall notify his or her supervisor within five (5) days after the conviction.
 - c. No employee shall consume alcohol immediately before work, during work hours while at work, during breaks, or during lunch. No employee shall be impaired by alcohol, illegal drugs, or medication during work hours. No employee shall represent UCIP in an official capacity while impaired by alcohol, illegal drugs, or medication.
 - d. If an employee is using medication that may impair performance of duties, the employee shall report that fact to his or her supervisor.
 - (i) No employee using medication that may impair performance shall operate a motor vehicle on behalf of UCIP.
2. Reasonable Suspicion Testing
 - a. Any employee who has reason to believe that the performance of another employee is impaired by alcohol, illegal drugs, or medication

shall notify the impaired employee's supervisor. If at any time a supervisor concludes that there is reasonable suspicion that an employee is impaired by alcohol, illegal drugs or medication, the supervisor shall require the employee suspected of being under the influence of alcohol and/or drugs to submit to a chemical test of their bodily fluids. Refusal to submit to a test shall be deemed a violation of this Policy subject to disciplinary action, up to and including termination.

The cost of the test shall be paid by UCIP.

3. **Corrective Action**

- a. The Chief Executive Officer or the supervisor of an employee, whose performance is impaired by alcohol, illegal drugs, or medication, shall take corrective action, which may include discipline.
- b. Upon taking corrective action, the Chief Executive Officer shall prepare a written report stating the reasons for the action.
- c. An employee impaired by illegal drugs or alcohol during work hours shall be relieved from duty and shall be charged earned or accrued Vacation leave for the absence.
- d. An employee impaired by medication during work hours may be relieved from duty and shall be charged earned or accrued Sick leave for the absence.
- e. The Chief Executive Officer may change an employee's assignment while the employee is using medication, if the employee is impaired by the medication.

C. **Sexual Harassment**

UCIP believes that a workplace free from hostile, intimidating, or offensive behavior is the most productive workplace. Employees should use courtesy and professionalism when interacting with coworkers, member representatives and others they come in contact with as part of their UCIP duties.

Sexual Harassment means "Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature and constitute sexual harassment when: 1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; 2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or 3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment".

All employees are responsible for ensuring that the workplace is free from all forms of sexual harassment.

1. Sexual harassment encompasses a wide range of behaviors, including sexual attention, sexual advances, requests for sexual favors, and other verbal, visual, or physical conduct of a sexual nature.
2. Examples of sexual harassment may include, but are not limited to the following:
 - a. Implying or threatening adverse employment actions if sexual favors are not granted.
 - b. Promising preferential treatment in return for sexual favors.
 - c. Subtle pressure for sexual activity.
 - d. Inappropriate touching of any individual, including but not limited to petting, pinching, hugging, or repeated brushing against another individual's body.
 - e. Offensive remarks, including unwelcome comments about appearance, obscene jokes, or other inappropriate use of sexually explicit or offensive language
 - f. The display of sexually suggestive objects or pictures.
 - g. Disparaging remarks about a person's gender.
 - h. Spreading stories about a person's sexual conduct.
 - i. Questions about a person's sexual activity.
 - j. Physical aggression such as pinching or patting.
 - k. Verbal sexual abuse disguised as humor.
 - l. Obscene gestures.
 - m. Horseplay or bantering of a sexual or off-color nature.
 - n. Other actions of a sexual nature that affect the terms and conditions of a person's employment.
 - o. Conduct or comments consistently targeted at only one gender, even if the content is not sexual.
3. UCIP considers prompt reporting of sexual harassment to be a condition of employment. If an employee believes they have experienced or witnessed

sexual harassment, they must immediately report their concern to the Chief Executive Officer. If the Chief Executive Officer is the subject of a report of sexual harassment, an employee may report the Chief Financial Officer, who shall immediately forward the report to the Board Trustee serving as the Chair of the UCIP Personnel Committee.

4. UCIP will not retaliate against any person who reports sexual harassment. However, if a report of sexual harassment was false and was made maliciously, the person making such claims shall be subject to discipline, up to and including termination.
5. UCIP will investigate allegations of sexual harassment and will take appropriate action against any person found to have violated this Policy. Individuals who engage in sexual harassment are subject to discipline, up to and including termination.

D. Discrimination/Harassment Based on Other Protected Categories

UCIP believes that a workplace free from hostile, intimidating, or offensive behavior is the most productive workplace. Employees should use courtesy and professionalism when interacting with coworkers, member representatives and others they come in contact with as part of their UCIP duties. Employees who discriminate or harass others based upon their color, national origin, age, religion, disability or other protected status are subject to discipline, up to and including termination. All employees should work together in a professional manner with courteous, mutual respect.

Discrimination or Harassment based on color, national origin, age, religion, disability or other protected status encompasses a wide range of behaviors, including racially based derogatory comments, taunting, or treatment. Examples of protected category harassment may include, but are not limited to, the following:

1. Slurs or put-downs based on color, national origin, age, religion or disability.
2. Materials such as cartoons or e-mails making fun based on color, national origin, age, religion or disability.

UCIP considers prompt reporting of discrimination or harassment to be a condition of employment. If an employee believes they have experienced or witnessed discrimination or harassment based on color, national origin, age, religion, disability or other protected status, they must immediately report their concern to the Chief Executive Officer. If the Chief Executive Officer is the subject of a report of discrimination or harassment, the employee may report to the Chief Financial Officer, who shall immediately forward the report to the Board Trustee serving as the Chair of the UCIP Personnel Committee.

UCIP will investigate allegations of protected status discrimination or harassment and will take appropriate action against any person found to have violated this Policy.

Individuals who engage in protected status discrimination or harassment are subject to discipline, up to and including termination.

E. **Computer and E-Mail Usage**

UCIP recognizes that excessive personal use of UCIP owned computers during work hours can affect productivity, and may be perceived as an inappropriate use of public funds. UCIP reserves the right to monitor computer usage, files stored on UCIP computers and Internet usage.

For purposes of this Policy, “files” means all documents, programs, e-mail, and Internet locations that are created, accessed, stored, or temporarily located on a UCIP computer.

1. **Personal Use.** Employees may use assigned computers for limited personal purposes. This approval is similar to the occasional personal use of telephones during breaks. Excessive use of the computer for personal reasons is not allowed.
2. **Inappropriate Usage.** Employees are not allowed to use a computer for self-employment, or outside employment purposes. Entering or maintaining information on a UCIP computer that is in violation of UCIP’s policies and procedures, or that violates State or Federal law, is prohibited.
3. **Privacy.** All files created, accessed, or stored on a UCIP computer are considered UCIP property. Employees shall be advised that there is no right to privacy when using a UCIP computer. As a public agency, all data and files created, accessed, or stored on a UCIP computer may be subject to governmental records access laws, and may become public in compliance with such laws.
4. **Licenses.** Employees shall use computer software only in accordance with the license agreement. Copying software licensed to, or developed by, UCIP for personal computer use or any other purpose is prohibited. Bringing software from personal computers to run on UCIP computers is also prohibited. Downloading of software onto UCIP computers is prohibited unless prior authorization has been provided by the Chief Executive Officer.
5. **Equipment.** Only employees authorized by the Chief Executive Officer may purchase, move, alter, or repair computer equipment and wiring.
6. **Email.** Employees may use UCIP’s email functions as limited above in Personal Use and Inappropriate Usage. All email received or sent using the UCIP email system are considered UCIP property, and may be accessed, reviewed, copied or disseminated by UCIP as the Chief Executive Officer or Board of Trustees deems necessary or prudent. As all email received or sent

using the UCIP email system are considered documents in the possession of UCIP, they may be considered public documents subject to the Governmental Records Access Management Act.

7. **Internet Access.** Internet usage falls within the above Personal Use and Inappropriate Usage constraints.
8. **Disciplinary Action.** Employees using Pool computers, software or systems in an unauthorized or inappropriate manner may be subject to discipline up to and including termination.

F. **Seat Belt Use**

Employees must use seatbelts while in vehicles performing UCIP business which includes travel eligible for reimbursement by UCIP.

G. **Cell Phone Use**

Cell phones should not be used while in vehicles performing UCIP business, which includes travel eligible for reimbursement by UCIP when it is a distraction to driving. Whenever possible, the employee should use hands free phone equipment or pull over when safe to continue or return the phone call.

H. **Acceptance of Gifts, Compensation or Loans**

As public agency employees, UCIP employees are required to comply with the Utah Public Officers' and Employees' Ethics Act, Utah Code §67-16-5 as amended. Employees must notify the Chief Executive Officer of all gifts prior to acceptance by individual employees. Gifts offered to the staff as a group must be approved by the Chief Executive Officer prior to acceptance. Failure to comply with this Policy may result in discipline up to and including termination.

SECTION V – GRIEVANCE AND APPEAL PROCESS

A. Grievance Resolution Philosophy

UCIP encourages its employees to work to resolve disputes amicably and informally. When a dispute arises regarding an adverse employment action including suspension, transfer, demotion, or dismissal, employees must seek redress through this grievance and appeal process. This grievance and appeal process is intended to provide an administrative remedy to resolve employee grievances free from discrimination, coercion, restraint, or reprisal. In order to accomplish this goal:

1. Employees with questions regarding how the dispute resolution process works may seek counseling from the Chief Executive Officer regarding procedure; however, the Chief Executive Officer cannot comment or provide advice on the substantive issues in dispute;
2. An employee may consult with an attorney or other representative to assist them in the grievance and appeal process at their own cost. UCIP will have no obligation to pay or reimburse any portion of the costs of such representation regardless of the outcome of process.
3. Employees who are dissatisfied with the outcome of any step must proceed to the next step in the process to preserve their right to a grievance;
4. Time limitations shall be strictly adhered to unless the parties agree to extensions in advance;
5. Hearings shall not be bound by legal procedures or legal rules of evidence, and shall be presided over by, and conducted in a manner determined by the Chair of the body holding the hearing;
6. Failure to utilize this Grievance and Appeal Process in accordance with this Section shall be considered a failure of the employee to make use of administrative remedies regarding their right to grieve the adverse employment action; and
7. UCIP prohibits retaliation against employees who utilize the dispute resolution process. If at any time the employee feels they have been retaliated against whether by discrimination, coercion, restraint, or reprisal, the employee should immediately file a written grievance with the Chief Executive Officer or directly with the UCIP Board of Trustees Personnel Committee if the retaliation is based on actions of the Chief Executive Officer.

B. Step One – Informal Dispute Resolution

Before filing a formal grievance, employees should attempt to resolve disputes by dealing directly with their direct supervisor. If requested, the supervisor shall review the adverse employment action with the employee to attempt to resolve the dispute in a manner acceptable to both parties while protecting the integrity of UCIP's disciplinary policies and obligations.

C. **Step Two - Formal Grievance**

If the employee and supervisor are unable to arrive at an acceptable resolution, the employee must initiate the formal grievance process.

1. Within 30 calendar days of the adverse employment action or within 30 calendar days of the time the employee reasonably should have known of the adverse employment action, the employee must file a written grievance with the Chief Executive Officer.
2. The written grievance must identify:
 - i. the employee;
 - ii. the adverse employment action being grieved;
 - iii. the supervisor initiating the adverse employment action;
 - iv. the basis for the employee's disagreement with the action; and
 - v. a proposed resolution to the dispute.
3. Within 10 working days of receipt of a proper written grievance, the Chief Executive Officer shall respond to the employee and supervisor involved with a written determination on the merit of the grievance and actions to be taken to resolve the grievance, if any, including but not limited to:
 - i. upholding the adverse employment action;
 - ii. amending the adverse employment action; or
 - iii. dismissing the adverse employment action and returning the employee to their original status.
4. If the Chief Executive Officer fails to respond within ten working days, such failure shall be deemed to be a finding by the Chief Executive Officer that the employee's grievance has no merit. Failure of the Chief Executive Officer to respond shall not be considered a waiver or estoppel of UCIP's rights in enforcement of an adverse employment action or the enforcement of the administrative remedies of this Section.

D. **Step Three – Appeal to the Board of Trustees Personnel Committee**

If the employee is unsatisfied with the determination of the Chief Executive Officer, the employee must appeal the determination to the UCIP Board of Trustees' Personnel Committee (Committee) to preserve their grievance rights.

1. To make a valid appeal to the Committee, the employee must file a written appeal with the UCIP Chief Financial Officer within 10 working days from the receipt of the Chief Executive Officer's response, or the date the Chief Executive Officer should have responded.
2. A written appeal shall include:
 - i. a copy of the original written grievance filed with the Chief Executive Officer; and
 - ii. a copy of the Chief Executive Officer's written determination of the grievance being appealed, or a statement that the grievance was deemed to have no merit as the Chief Executive Officer failed to respond with a written determination within the required timeline.

3. The Committee may, within 15 calendar days of receipt of the employee's appeal, request additional written information from the parties involved.
4. The parties shall provide such additional written information within 15 calendar days of such request.
5. Within 15 calendar days of receipt of the appeal, or if additional information is requested, within 15 calendar days of receipt of the last additional information, the Committee shall:
 - i. issue a written decision on the appeal; or
 - ii. hold an informal hearing attended by the parties either in person or via conference call.
6. The decision to hold a hearing is at the sole discretion of the Committee, and no party to the appeal may compel the Committee to hold a hearing.
7. If the Committee elects to hold a hearing, the Committee will issue a written decision to the parties within 15 working days from the hearing date.
8. While the employee may choose to have an attorney or other representative attend a hearing with them for consultation, the Committee may require the employee to present their appeal, including but not limited to presenting any evidence, testimony or answering questions directly, and may limit or restrict the employee's representative from presenting the appeal, including but not limited to presenting evidence, testimony or answering on behalf of the employee.

E. Step Four - Appeal to the UCIP Board of Trustees

If the employee is unsatisfied with the decision of the Committee, the employee must appeal the decision to the UCIP Board of Trustees (Board) to preserve their grievance rights.

1. To make a valid appeal to the Board, the employee must file a written appeal with the UCIP Chief Financial Officer within 10 working days from the receipt of the Committee's decision.
2. A written appeal shall include a copy of the Committee's written decision of the grievance being appealed.
3. The Board may, within 15 calendar days of receipt of the employee's appeal, request additional written information from the parties involved.
4. The parties shall provide such additional written information within 15 days of such request.
5. Within 30 calendar days of receipt of the appeal, or if additional information is requested, within 30 days of receipt of the last additional information, the Board shall:
 - i. issue a written decision on the appeal;

- ii. request a review of the matter by the UCIP Litigation Management Committee or the Board's General Counsel; or
 - iii. hold an informal hearing attended by the parties either in person or via conference call.
- 6. The decision to request a review of the matter by the UCIP Litigation Management Committee or hold a hearing is at the sole discretion of the Board, and no party to the appeal may compel the Board to request a review of the matter by the UCIP Litigation Management Committee or hold a hearing.
- 7. If the Board requests review by the UCIP Litigation Management Committee or the Board's General Counsel, the Board shall;
 - i. issue a written decision to the parties within 45 days from receipt of the appeal, or if additional information is requested, within 45 days of receipt of the last additional information; or
 - ii. hold an informal hearing attended by the parties either in person or via conference call.
- 8. If the Board elects to hold a hearing, the Board shall:
 - i. issue a written decision to the parties within 15 working days from the hearing date; or
 - ii. request a review of the matter by the UCIP Litigation Management Committee or the Board's General Counsel. If the Board requests such review, the Board shall issue a written decision to the parties within 30 days from the hearing date.
- 9. While the employee may choose to have an attorney or other representative attend a hearing with them for consultation, the Board may require the employee to present their appeal, including but not limited to presenting any evidence, testimony or answering questions directly, and may limit or restrict the employee's representative from presenting the appeal, including but not limited to presenting evidence, testimony or answering on behalf of the employee.

A written decision of the Board shall be a binding and final determination of the Utah Counties Indemnity Pool.

UTAH COUNTIES INDEMNITY POOL
LIABILITY AUDIT
July 25, 2016 through July 29, 2016

1) **LOCATION:**

The audit was conducted at the Utah Counties Indemnity Pool office located at:

5397 S. Vine St.
Murray, Utah 84107
Korby Siggart, Claim Manager
Phone: 801 307-2116

Auditor: Tommie Biggers, Vice President, Alternative Service Concepts, LLC

2) **SCOPE OF REVIEW:**

A total of 25 files were selected by CRL for review. Two of those files (sheet #7 and #24) were closed at the time of the audit and were not reviewed. One file (sheet #6) was reviewed in conjunction with the companion case (sheet #5) so separate notes were not included on that sheet.

The primary focus of the audit was to confirm adequacy and validity of the current reserves. The secondary focus was on core claim handling practices: coverage verification; investigation, documentation, litigation management and reporting of claims to excess carriers.

Review:

(A) Audit Review Format:

(1) See attached excel workbook titled: UCIP P&C Audit Workbook 08 2014.

The workbook contains:

- Audit Summary – overview of results.
- File Review – composite results of review.
- Selection & Reserve Change Summary – reflects recommendations for reserve changes. The claims highlighted in yellow have been reviewed in previous audits. The files highlighted in blue are duplicate claims and the claims in white are files that have not been reviewed in previous audits.

Note: Reserve changes recommended are based on the auditor's review only. The reserves should be reviewed by the handling adjuster and supervisor and set according to their in-depth knowledge of the file, statutes and jurisdiction.

The remainder of the workbook contains two sheets for each file reviewed. The first sheet gives an overview of the accident/incident, nature of injury or property damage, current reserves and paid to date figures, as well as comments and recommendations. To the far right of the worksheet are the categories that were scored with 1 as yes and 0 as no. The second sheet (financial sheet) reflects a breakdown of current reserves incurred and paid

as well as the reserving history on the claim. Reserve change recommendations are also reflected on this page.

3) FILE REVIEW

a) **RESERVES** **AVERAGE COMPLIANCE** **93.2%**

	COMPLIANCE	APPLICABLE	
Timely	22	22	100.0%
Sufficient	19	22	86.4%
Stairstepped	0	0	
Totals	41	44	

b) **COVERAGE** **AVERAGE COMPLIANCE** **87.0%**

	COMPLIANCE	APPLICABLE	
Documented	16	22	72.7%
Correctly Applied	17	17	100.0%
Issues Addressed	7	7	100.0%
Totals	40	46	

c) **INVESTIGATION** **AVERAGE COMPLIANCE** **93.6%**

	COMPLIANCE	APPLICABLE	
Initial Timely	22	22	100.0%
Initial Adequate	20	22	90.9%
Subsequent Timely	1	1	100.0%
Subsequent Adequate	1	2	50.0%
Other	0	0	
Totals	44	47	

d) **DOCUMENTATION** **AVERAGE COMPLIANCE** **51.1%**

	COMPLIANCE	APPLICABLE	
Timely	22	22	100.0%
Adequate	1	22	4.5%
Other	0	1	0.0%
Totals	23	45	

e) **LEGAL/LITIGATION** **AVERAGE COMPLIANCE** **88.9%**

	COMPLIANCE	APPLICABLE	
Review/Analysis	8	16	50.0%
Timely Referral	16	16	100.0%
Proper Referral	16	16	100.0%

Litigation Management Screens	0	0	
Not Abandoned	15	15	100.0%
Client Apprised	16	16	100.0%
Pre-trial Report	0	0	
Report/Bill	0	0	
Other	0	2	0.0%
Totals	71	81	

f) **REPORTING** AVERAGE COMPLIANCE 87.0%

	COMPLIANCE	APPLICABLE	
Recognized	7	9	77.8%
Timely	6	7	85.7%
Proper Format	6	6	100.0%
Totals	19	22	

4) **GENERAL REMARKS OR COMMENTS:**

- a. **Reserves** – The score for this category is 93.2% which is a slight increase over the 2014 score of 92.3%. Of the 22 files reviewed, 4 files appeared to have insufficient reserves (Sheet #3, 6, 24, 26). Overall, reserving is appropriate. No stairstepping of reserves was noted.
- b. **Coverage** – The score for this category is 87.0%. Coverage was documented in 16 of the 22 files reviewed. In most cases, the adjuster did a good job of noting any coverage issues. Reservation of Rights letters were prepared by the adjuster and these are appropriate and contain detailed information regarding the coverage issues that are the subject of the letter. Six files lacked coverage documentation in the file notes.
- c. **Investigation** – The score for this category is 93.6%. Initial investigation was evident in all case reviewed based on the limited documentation in the electronic notes and review of the paper file and attached images. In two of the files reviewed (sheet #2 and #3) there was no real indication of a complete investigation being conducted either in the electronic notes or in the attached documents or documents contained in the paper file.
- d. **Documentation** – The score for this category is 51.1%. Of the 22 files reviewed, there was an initial note entered at the time the claim was received by the adjuster. That note had summary information based on what was received in the loss report. Based on this note seen in every file reviewed, documentation appeared to be timely in all files. Adequacy of documentation was found to be compliant in only 1 file (sheet #10). All other files had very little documentation at all. In almost all cases, it was difficult to follow what had actually occurred on the claim based on lack of documentation in the electronic notes and/or lack of documents in the attached images or paper file.
- e. **Litigation Management** – The score for this category is 88.9%. There was an overall review and analysis by the adjuster found in 8 of the 16 applicable files. All files were referred to defense counsel timely and appropriately and it appeared the adjuster stayed very involved in the development of the cases through litigation. The adjuster also does a good job of making sure the member counties were keep apprised of the status of the cases.

- f. **Reporting** – The score for this category was 87.0%. Of the 9 reportable files reviewed, all but two were reported to CRL (sheet #17 and #19). Six of the 7 files that were reported were timely and all were reported using a proper format.

GENERAL COMMENTS

The overall score of this audit was 83.9%. A wrap up was conducted with Korby Siggart as Johnnie Miller, Chief Executive Officer and Sonya White, Chief Financial Officer were unavailable and suggested I discuss any issues or concerns directly with Korby who is the Claim Manager.

The adjuster is doing a good job with reserving files and reporting applicable files to CRL. Improvement was seen in these areas as compared to the previous audit completed in 2014.

As mentioned, documentation appeared to be the biggest issue found. I discussed this in detail with Korby Siggart, the adjuster handling the majority of the claims. I suggested he include in his documentation a review of all action that has occurred on the file as that information is received. I also suggested he document any correspondence received and, in the case of litigated file, he should be summarizing correspondence and filings as they occur.

I would like to thank Korby Siggart and staff for their hospitality during the audit.

Date: August 22, 2016

Signed: *Tommie Biggers*

Tommie Biggers
Vice President
Alternative Service Concepts, LLC

Member	Audited 2015 Payroll	Estimated 2016 Total Payroll	Estimated 2017 Total Payroll	Audited 2015 Premium	Estimated 2016 Premium	Estimated 2017 Premium	2015		2016		2017		Percent Increase in Payroll	Percent Change in Premium	Percent Change in EMOD
							EMOD	EMOD	EMOD	EMOD	EMOD	EMOD			
Beaver	5,492,295	5,352,148	5,443,493	46,004.06	61,745.38	55,104.42	0.60	0.72	0.75	0.75	0.75	0.75	2%	-11%	4%
Box Elder	8,625,684	8,493,991	9,527,273	219,814.00	193,479.59	182,619.35	1.70	1.51	1.35	1.35	1.35	1.35	12%	-6%	-11%
Daggett	2,015,652	2,021,933	2,004,914	32,822.00	20,594.25	19,795.97	1.02	0.64	0.66	0.66	0.66	0.66	-1%	-4%	3%
Duchesne	7,088,437	6,665,522	7,307,571	67,211.00	50,701.74	66,318.76	0.70	0.65	0.84	0.84	0.84	0.84	10%	31%	29%
Garfield	4,248,698	4,375,407	4,381,591	57,762.00	58,205.55	44,908.66	0.87	0.86	0.68	0.68	0.68	0.68	0%	-23%	-21%
Iron	9,006,042	8,616,843	8,955,274	80,001.00	75,545.55	81,872.47	0.58	0.58	0.65	0.65	0.65	0.65	4%	8%	12%
Juab	3,620,817	3,135,745	3,192,110	38,439.00	37,356.50	55,984.65	0.80	0.82	1.26	1.26	1.26	1.26	2%	50%	54%
Kane	5,410,354	5,080,681	5,398,169	105,024.99	87,900.10	83,923.65	1.67	1.17	1.16	1.16	1.16	1.16	6%	-2%	-1%
Millard	7,598,187	7,826,715	8,260,403	90,633.00	102,598.29	100,097.88	0.86	0.95	0.92	0.92	0.92	0.92	0%	-2%	4%
Morgan	2,551,414	2,421,669	2,421,669	17,517.00	33,196.03	32,548.88	0.62	0.98	1.02	1.02	1.02	1.02	-13%	-20%	1%
Plute	780,329	761,680	660,000	8,317.00	8,579.35	6,892.24	0.71	0.71	0.72	0.72	0.72	0.72	10%	1%	-4%
Rich	1,338,150	1,210,070	1,327,388	14,831.32	13,195.48	13,312.78	0.74	0.74	0.71	0.71	0.71	0.71	0%	-15%	-12%
San Juan	5,961,368	5,739,356	5,739,356	99,604.32	114,705.59	98,069.73	1.25	1.45	1.27	1.27	1.27	1.27	7%	-3%	2%
Sanpete	4,287,778	4,182,729	4,463,751	41,700.19	32,950.94	32,071.16	0.78	0.59	0.60	0.60	0.60	0.60	-6%	3%	10%
Sevier	6,272,215	5,981,122	5,641,637	61,725.29	61,153.35	63,145.67	0.72	0.79	0.87	0.87	0.87	0.87	-1%	25%	33%
Uintah	14,550,353	14,425,163	14,274,185	158,971.33	155,387.23	194,519.50	1.00	1.00	1.33	1.33	1.33	1.33	10%	40%	38%
Washington	19,362,090	17,872,531	19,580,620	130,233.63	109,816.16	153,778.40	0.51	0.47	0.65	0.65	0.65	0.65	0%	0%	3%
Wayne	1,297,495	1,207,000	1,204,000	12,635.80	11,619.62	11,622.11	0.72	0.71	0.73	0.73	0.73	0.73	0%	0%	3%
Weber	37,153,905	38,455,913	40,063,226	362,534.22	429,060.04	376,588.50	0.77	0.86	0.81	0.81	0.81	0.81	4%	-12%	-6%
	146,661,263	143,826,218	149,846,630	1,645,781.15	1,657,790.76	1,673,174.76	0.87	0.85	0.89	0.89	0.89	0.89	3%	3%	7%

NCCI Rating	2015	2016	2017	Percent Change
Road	2.8	3.11	2.94	-5%
Firefighters	3.48	3.54	3.29	-7%
Clerical	0.15	0.17	0.14	-18%
County	2.45	2.61	2.16	-17%
Size Discount	0.1380	0.1383	0.1385	0%

Memorandum

To: Board of Trustees
From: Johnnie Miller
Date: December 8, 2016
RE: Financial Audit Services RFP Results

UCIP released an RFP for Financial Audit services as recommended by the State Auditor's office. UCIP used the RFP format recommended by the State Auditor's office, with minor modification. Proposals were required to be received at the UCIP offices no later than 5:00 p.m. on Friday, December 2, 2016.

UCIP received four proposals in response to the RFP. Two of the proposals were not received until Monday, December 5, 2016. The RFP clearly stated that "No proposal will be considered that is not received at or prior to the above time and date." The remaining bids for the Board's consideration were received from WSRP LLC and Larson & Company PC. Both proposals are considered to be responsible as they both met all requirements of the RFP. Both firms have experience auditing governmental agencies, and both firms have provided UCIP Audit services in the past (WSRP has provided Audit service the past five years, and Larson provided Audit services prior to that).

The RFP required Proposals provide estimates of cost using an hourly rate multiplied by estimated hours, and also a "not-to-exceed" amount for 2016, 2017 and 2018. Both Proposals provided not-to-exceed costs that matched the estimated hourly rate costs. The not-to exceed costs provided in the Proposals were:

<u>Firm</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Larson	\$18,200	\$18,600	\$19,000
WSRP	\$19,000	\$19,500	\$20,000

Based on review of the Proposals, Larson & Company PC has provided the lowest responsible Proposal. Both firms are considered capable and management is comfortable with working with either firm.

JRM/jrm

Memorandum

To: Board of Trustees
From: Johnnie Miller
Date: December 8, 2016
RE: Local GovU Online Training Course Renewal

UCIP is due to renew its subscription with Local GovU for online training services. UCIP began providing an online training service for members on 1-1-2016 by making a joint purchase of approximately 1,600 training courses from Local GovU. By purchasing a large block of courses, UCIP was able to secure those courses at 50% of the standard cost for Local GovU clients. The cost for purchasing the courses was \$10,000. Local GovU also waived its customary set up fees (approximately \$3,000) when UCIP made this purchase. Also, by purchasing this large block of courses, UCIP members are provided access to the Local GovU training management system which records and certifies all training taken, as well as sending emails to employees assigning required training, reminders of training to be taken and notice to the personnel director that a course has been completed. Personnel directors can also run reports from the system to track their training program.

Since roll-out of the program, UCIP members have used just over half the course credits initially purchased. Most of the use has been from a small number of the members. Most members have had very limited use, or no use at all. I discussed this with the HR affiliate group at the UAC conference in November. The members that have used the program told others it is a very good program, and they recommended all counties start taking advantage of it. Based on that information, the group asked that UCIP continue to make the program available in 2017, so those that have not used it can start taking advantage of it.

To continue the program, UCIP would need to purchase another block of courses (approximately 1,600) for a cost of \$10,000. The course credits not used in 2016 would then roll over leaving UCIP with nearly 2,500 courses. If we do not purchase the program, we would lose access to the credits not used in 2016.

This is a very valuable program, with hundreds of training courses in all areas of local government including HR, safety, productivity, law enforcement and general management. Local GovU has offered to assist in doing additional marketing and training with the personnel directors to drive higher usage. I do believe that if the members who have not used the program give it a try, they will use it often.

I recommend UCIP continue this program in 2017 by purchasing an additional block of courses.

JRM/jrm

UCIP Local Gov U Online Trianing Activity 2016

Account Name	Active Users	Course Attempts	Courses Completed
Beaver County	126	276	244
Beaver County Sheriff's Office	2	0	0
Box Elder County	4	0	0
Box Elder Redevelopment Agency	2	0	0
Canyonland County Improvement District	2	0	0
Central Utah Public Health Department	42	1	1
Daggett County	3	2	1
Davis County	133	273	238
Duchesne County	178	4	4
Emery County	4	0	0
Five County Association of Governments	2	0	0
Garfield County	2	0	0
Iron County	191	28	24
Juab County	2	0	0
Kane County	2	0	0
Millard County	2	0	0
Morgan County	3	0	0
Piute County	3	0	0
Rich County	2	0	0
San Juan County	11	12	10
San Juan Transportation Special Service District	2	0	0
Sanpete County	2	0	0
Sevier County	2	0	0
Six County Infrastructure Coalition	2	0	0
Southeastern Utah District Health Department	2	0	0
Southwest Utah Public Health Department	2	2	2
TriCounty Health Department	3	0	0
UCIP (Utah Counties Indemnity Pool)	5	4	3
Uintah County	217	342	259
Wasatch County	2	0	0
Wasatch County Health Department	3	0	0
Wasatch County Parks & Recreation SS District #21	2	0	0
Wasatch County Solid Waste Disposal District	2	0	0
Wasatch County Special Service Area #1	2	0	0
Washington County	5	0	0
Wayne County	2	0	0
Weber County	2	0	0
Weber Human Services	2	0	0
Weber-Morgan Health Department	2	0	0
Kane County Rec & Transport SS District	2	0	0
Total	979	944	786
			1670
			884

**ANNUAL NOTICE OF REGULAR MEETING SCHEDULE OF THE BOARD OF
TRUSTEES OF THE UTAH COUNTIES INDEMNITY POOL**

PUBLIC NOTICE is hereby given that the 2017 Annual Meeting schedule of the Board of Trustees of the Utah Counties Indemnity Pool is as follows:

Regular meetings of the Board of Trustees of the Utah Counties Indemnity Pool will be held on the dates, at the times and at the location of 5397 S Vine Street, Murray, Utah or the specific city listed below unless otherwise changed by action of a quorum of the Board of Trustees of the Utah Counties Indemnity Pool.

TENTATIVE REGULAR MEETING DATES FOR 2017

February 16, 12:30 p.m.
April 20, 12:30 p.m.
June 15, 12:30 p.m.
August 17, 12:30 p.m.
October 19, 12:30 p.m.
December 21, 12:30 p.m.

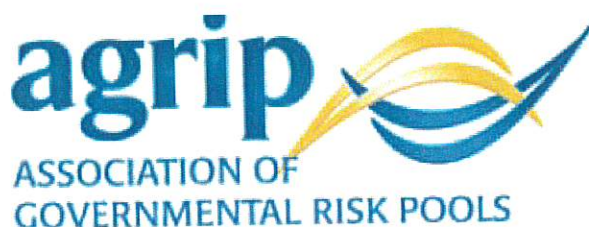
A regular meeting may be canceled without notice by action of a quorum of the Board of Trustees. When, because of unforeseen circumstances, it is necessary for the Board of Trustees to hold an emergency meeting to consider matters of an emergency or urgent nature, the best notice practicable shall be given. No such emergency meeting of the Board of Trustees shall be held unless an attempt has been made to notify all of the members of the Board of Trustees and there is a majority vote in the affirmative to hold the meeting.

All regular meetings of the Board of Trustees shall be open to the public unless closed by the Board of Trustees in the manner described in §52-4-4, Utah Code Annotated, 1953 as amended, and, for a purpose described in §52-4-5, Utah Code Annotated, 1953 as amended.

ADOPTED AND APPROVED THIS 15 DAY OF December, 2016.

BOARD OF TRUSTEES,
UTAH COUNTIES INDEMNITY POOL

Bruce Adams, President



2017 GOVERNANCE & LEADERSHIP CONFERENCE

THE VALUE OF WHY: Finding Inspiration & Aspiration in Pooling

You know what your pool does and how you do it. But do you effectively define and describe why your pool exists in a way that's compelling for members, staff, and the Board of Directors?

Through his **TED Talk**, Simon Sinek introduced the **The Golden Circle** to help organizations understand the importance of *why*. Simon Sinek's team will bring customized lessons direct to AGRiP members with an introductory session and discovery workshops to help you understand and clearly define your pool's *why*.

In addition to **The Value of Why**, this year's Governance & Leadership Conference will also feature concurrent sessions on a wide variety of topics, such as:

- **Board succession** planning to cultivate continued and effective leadership
- How **citizen engagement** in public entity activities can impact liability claims
- **Financial benchmarks** uniquely developed for AGRiP's public entity pools
- The possible upsides of **increased pooling regulation**
- **Child abuse prevention plans** for pool member schools
- How to conduct **enterprise risk assessments** for pool members
- The importance of connecting **functional and nutritional fitness** programs
- Building **union champions for wellness** programs
- **Autonomous vehicle** development, integration, regulation, and liability

The Governance & Leadership Conference provides opportunity to learn about pooling-specific governance and operations, and guidance as you take a strategic look into the future of our pooling environment.

- **Pooling Basics curriculum** is offered for those new to public entity pooling, including Board-specific overviews of key pooling functions
- You'll gain insight into the **three levels of governance** and how to perform them most effectively
- You can participate in a unique conversation with AGRiP's Resident Futurist and take home a **pooling-specific guidebook to strategic foresight**
- Pools that have engaged in strategic foresight will **share their experiences**, and AGRiP's SuperForecasters will offer **lessons learned** from their projects
- Or, take a refresher on **practical parliamentary procedure**, with scenarios and examples specific to public entity pooling decisions

RISK MANAGEMENT RISING

PRIMA'S 2017 ANNUAL CONFERENCE // JUNE 4-7, 2017 // PHOENIX, AZ



PRIMA 2017 offers three distinct session types: 30-minute cram sessions, 2.5 hour in-depth workshops, and our traditional 1.25 hour classroom sessions that provide educational opportunities for public sector risk management professionals.

The PRIMA 2017 session are organized into eight tracks:

Employee benefits/human resources

- Developing Strategies for Transgender Employees and Clients
- Amendments to the Americans With Disabilities Act: Implications for Public Entities
- Revolutionizing Healthcare - Worksite Health and Wellness Center
- Integrated Disability Management and Absence Tracking Programs
- Your Employee Has Blown the Whistle: Now What Do You Do?
- Navigating the Risks in Group Health Benefits

Enterprise Risk Management

- ERM 57: Enterprise Risk Management Exam Review
- The Challenge of Change
- ERM Roundtable
- Risk-Informed Decision Making for You and Your Entity
- ERM: A Case Study with Practical Application
- How ERM Enables Successful Execution of Strategy

Pools

- Pool Management; What Makes It Work?
- Predictable Is Preventable: Understanding Real Risk Management
- Jail Risk Operations - Red Flags and Mitigation Strategies
- Drones Beginning to Crowd an Entity's Airspace

Risk and Benefits Financing/Insurance/Self-Insurance

- Think Like An Actuary!
- Claim Investigation and Preservation
- Protection from Financial Risk: Target Funding Approach
- Business Interruption for Public Entities!
- Understanding the Impact of Health Care Reform Now and in the Future
- Loss Forecasting 101: For the Do-It-Yourselfer

Risk Control/Safety

- Do You Pay or Do You Pay Big?... Risk Management for Public Fleet Operations
- Perception is Reality OR Is Reality Truly Perceived? Media Coverage and Police Brutality Cases
- Developing a Municipal Threat Assessment Program/Plan Lessons Learned
- Aging Infrastructure, Weather Events, Climate Change - A Crisis
- Managing Distracted Driving in Law Enforcement
- Do We Need to Keep This?: Understanding Spoliation of Evidence
- The Weakest [Cyber] Link: Preventing and Managing Losses Caused by Employees
- A Training Tool for Safety Professionals

Risk Management Leadership/Administration

- Selling Risk / Top Down and Bottom Up
- Penetrating the Cone of Silence / Police & Fire
- Understanding and Managing Reputation Risk
- Engaging Your Community: Addressing Your Risk Exposures
- People of ACTION Don't Have Time to THINK
- Successfully Implementing Change as New Risk Manager
- Contractual Risk Transfer-The Phoenix Effect
- Lessons From Black Swans and Other Odd Ducks
- Emerging Trends-Public Risk Manager Panel Discussion

Workers' Compensation

- How Advocacy Impacts Claims Management Today
- Deceit and Fraud Detection Strategies
- Before-During-After - An Effective RTW Program
- Addressing Municipalities' Biggest Workers' Compensation Challenges
- Opioids: When Enough Becomes Too Much
- Write Your Own Success Story
- The Psychological Impact of Trauma, And The Road Back
- Risk Management Moneyball - The WC Algorithm You Should Know

AGRIP

March 5-8, Orlando

Flight \$690

Hotel \$229 (\$1145)

Registration \$725

Per Diem \$59 (\$295)

Per Person \$2855

PRIMA

June 4-7, Phoenix

Flight \$340

Hotel \$145 (\$725)

Registration \$590

Per Diem \$59 (\$295)

Per Person \$1950